

The Resurgence *of the* Latin American Left

Edited by

STEVEN LEVITSKY

and

KENNETH M. ROBERTS

VISIT…



The Resurgence of the Latin American Left

This page intentionally left blank

The Resurgence of the Latin American Left

Edited by

STEVEN LEVITSKY

and

KENNETH M. ROBERTS

The Johns Hopkins University Press
Baltimore

© 2011 The Johns Hopkins University Press
All rights reserved. Published 2011
Printed in the United States of America on acid-free paper
2 4 6 8 9 7 5 3 1

The Johns Hopkins University Press
2715 North Charles Street
Baltimore, Maryland 21218-4363
www.press.jhu.edu

Library of Congress Cataloging-in-Publication Data

The resurgence of the Latin American left / edited by Steven Levitsky and Kenneth M. Roberts.
p. cm.
Includes index.
ISBN-13: 978-1-4214-0109-6 (hardcover : alk. paper)
ISBN-13: 978-1-4214-0110-2 (pbk. : alk. paper)
ISBN-10: 1-4214-0109-6 (hardcover : alk. paper)
ISBN-10: 1-4214-0110-X (pbk. : alk. paper)
1. New Left—Latin America. 2. Political parties—Latin America. 3. Latin America—Politics and government—1980– I. Levitsky, Steven. II. Roberts, Kenneth M., 1958–
JL969.A45R47 2011
320.53098—dc22 2010047697

A catalog record for this book is available from the British Library.

Special discounts are available for bulk purchases of this book. For more information, please contact Special Sales at 410-516-6936 or specialsales@press.jhu.edu.

The Johns Hopkins University Press uses environmentally friendly book materials, including recycled text paper that is composed of at least 30 percent post-consumer waste, whenever possible.

CONTENTS

List of Tables and Figures *vii*
Preface *ix*
Abbreviations *xi*

Introduction: Latin America's "Left Turn": *A Framework for Analysis* 1
STEVEN LEVITSKY AND KENNETH M. ROBERTS

PART I THEMATIC ISSUES

1 Evidence from Public Opinion 31
JASON ROSS ARNOLD AND DAVID J. SAMUELS

2 Economic Constraints and Presidential Agency 52
MARÍA VICTORIA MURILLO, VIRGINIA OLIVEROS, AND MILAN VAISHNAV

3 The Left: *Destroyer or Savior of the Market Model?* 71
KURT WEYLAND

4 The Political Left, the Export Boom, and the Populist Temptation 93
ROBERT R. KAUFMAN

5 Social Policy and Redistribution: *Chile and Uruguay* 117
JENNIFER PRIBBLE AND EVELYNE HUBER

6 The Diversity of Left Party Linkages and Competitive Advantages 139
SAMUEL HANDLIN AND RUTH BERINS COLLIER

7 The Left and Participatory Democracy: *Brazil, Uruguay, and Venezuela* 162
BENJAMIN GOLDFRANK

8 The Left and Citizenship Rights 184
DEBORAH J. YASHAR

PART II CASE ANALYSES

9 Venezuela: *Hugo Chávez and the Populist Left* 213
MARGARITA LÓPEZ MAYA

10 Bolivia: *Origins and Policies of the Movimiento al Socialismo* 239
RAÚL MADRID

11 Ecuador: *Rafael Correa and the Citizens' Revolution* 260
CATHERINE M. CONAGHAN

12 Argentina: *Left Populism in Comparative Perspective, 2003–2009* 283
SEBASTIÁN ETCHEMENDY AND CANDELARIA GARAY

13 Brazil: *The PT in Power* 306
WENDY HUNTER

14 Chile: *The Left after Neoliberalism* 325
KENNETH M. ROBERTS

15 Uruguay: *A Social Democratic Government in Latin America* 348
JORGE LANZARO

16 Peru: *The Left Turn That Wasn't* 375
MAXWELL A. CAMERON

Conclusion: Democracy, Development, and the Left 399
STEVEN LEVITSKY AND KENNETH M. ROBERTS

References 429
Contributors 461
Index 465

TABLES

I.1. Left governments in Latin America, 1998–2010 2
1.1. Dissatisfaction with democracy 39
1.2. Confidence in institutions 39
1.3. Visions of democracy, 2005 45
1.4. Attitudes toward the United States 46
2.1. Explaining Presidential Ideology 62
2A.1. Number of observations 67
2A.2. Frequency distribution of presidential ideologies 67
2A.3. Descriptive statistics 67
4.1. Macroeconomic policy indicators under left governments 96
4.2. Economic growth and external constraints 100
6.1. Importance of labor unions among partisan groups 148
6.2. Importance of community-based associations among partisan groups 150
6.3. Importance of state-sponsored associations among partisan groups in Venezuela 152
6.4. Covariates of vote choice in Chile and Brazil 155
6.5. Covariates of vote choice in Uruguay and Venezuela 156
6.6. Estimated marginal effects 157
8.1. Homicide rates in the Americas, 1995–2008 198
8.2. Per capita homicide levels in select cities, 1999–2003 199
9.1. Socioeconomic indicators in Venezuela, 2003–2006 225
12.1. Degree of radicalism under the Kirchner administration 297
12.2. Degrees of radicalism in the left turn 301
12.3. Defiance in the left turn 302

15.1. Electoral support by blocks, 1971–2009 355
C.1. Socioeconomic and political orientations, 1998–2010 401

FIGURES

I.1. A typology of governing left parties in Latin America 13
1.1. Percentage of the population identifying as leftist 34
1.2. Attitudes about the distribution of wealth in Latin America 36
1.3. Authoritarian government preferable in some situations 42
1.4. Voting makes "no difference" 43
1.5. Change in negative attitudes toward the United States, 2001 to 2007 47
2.1. Presidential Ideology, by election year, 1978–2008 60
2.2. Predicted probabilities of Presidential Ideology, by Current Account balance 63
6.1. Rates of Party Identification 142
6.2. Direct contact through meeting attendance 144
6.3. Direct contact through party work 145
15.1. Population below the official poverty line, 1986–2008 364
15.2. Real wage evolution, 1998–2010 369
15.3. National Labor Federation membership, 1985–2008 369
16.1. Map of Peruvian presidential runoff election, 2006 382

When left-leaning presidents began to get elected in numerous Latin American countries in the late 1990s, many observers, ourselves included, were reluctant to read too much into it. After all, Latin America had spent much of the previous two decades grappling with the economic consequences of ineffectual statism, and a broad consensus had formed in academic and policymaking circles that economic progress would require the unshackling of market forces. For most of the 1990s, then, every country in the region was moving toward freer markets and more open integration in the global economy, and conservative, technocratic governance was increasingly the norm.

In that context, the initial elections of leftist presidents appeared to be simple outliers to the dominant, more generalizable trends—that is, anomalies attributable to the idiosyncrasies of individual cases, such as the peculiar effects of oil wealth on Venezuela's political culture and institutions, or the fact that Chile's socialists were no longer "real socialists." By the middle of the 2000s, however, it had become clear that these "outliers" were, in fact, harbingers of things to come—the leading edge of a new electoral trend that was rapidly changing the face of politics in the region.

When we first convened this group of scholars to analyze and debate this new trend in Latin American politics, at a workshop at Cornell in December 2006, we were ourselves uncertain as to the durability and ramifications of the "left turn." In many respects, we still are, despite considerable debate on these questions at our Cornell workshop and at a follow-up conference at Harvard in April 2008. The contributors to this volume are hardly of one mind in answering these questions, and they do not always agree about where the "left turn" comes from, where it leads, and how much it matters. We have deliberately incorporated a range of perspectives and interpretations in this volume so that the reader might have a better grasp of the issues. Likewise, we include chapters on thematic topics related to the Left in government, as well as chapters on individual cases that are important for understanding the range of variation within the "left turn." Our intention has been to provide a comprehensive

overview of a political trend that is still very much in progress, with an endpoint yet to be determined—but a trend that has already altered the political landscape of Latin America in significant ways.

Our collaboration has benefited greatly from the generous financial support of the Mario Einaudi Center for International Studies at Cornell University, which provided a seed grant for a brainstorming workshop where our group first convened. We also received financial and logistic support from the Institute for the Social Sciences and the Latin American Studies Program at Cornell. At Harvard University, the Weatherhead Center for International Affairs (WCFIA) and the David Rockefeller Center for Latin American Studies graciously sponsored and hosted our major conference, where preliminary drafts of our papers were presented and debated.

We received especially valuable commentary and feedback at our conferences from Cynthia Arnson, Valerie Bunce, John Carey, Matthew Cleary, Jorge Domínguez, Albert Fishlow, Gustavo Flores-Macías, Manuel Antonio Garretón, Michael Shifter, Barbara Stallings, John Stephens, Sidney Tarrow, and Nicolas van de Walle—in addition to our contributors. Treva Levine and Anneliese Truame provided invaluable administrative and logistic support at Cornell, and Adelaide Shalhope of the WCFIA organized and administered the Harvard conference with great efficiency (and much patience).

We thank James Loxton for his assistance in translating and editing, as well as Judith Huang and John Sheffied for their able research assistance. Finally, we thank Suzanne Flinchbaugh, Lois Crum, Mary Lou Kenney, and Josh Tong at the Johns Hopkins University Press for their editorial assistance, and Henry Tom for the enthusiasm and support he offered our project. We learned of Henry's unexpected death as this book was in press. The book benefited enormously from Henry's wisdom and professionalism, as did so many others before it. We will miss him.

ABONG	Brazilian Association of NGOs
AD	Democratic Action
ALBA	Bolivarian Alternative for the Americas, Alianza Bolivariana
ANSES	Administración Nacional de la Seguridad Social
APRA	American Popular Revolutionary Alliance, Alianza Popular Revolucionaria Americana
ASP	Asamblea Soberanía de los Pueblos
AUGE	Universal Access to Explicit Health Guarantees
CC	communal council
CDES	Economic and Social Development Council
CEN	National Economic Council
CGT	Confederación General de los Trabajadores
CLPP	local public planning council
CONAIE	Confederación de Nacionalidades Indígenas del Ecuador
COPEI	Comité de Organización Política Electoral Independiente
CRBV	Constitution of the Bolivarian Republic of Venezuela
CUT	United Workers Central, Central Única dos Trabalhadores
FA	Broad Front, Frente Amplio
FMLN	Farabundo Martí National Liberation Front
FONASA	National Health Fund
FSLN	Sandinista National Liberation Front
FTA	free trade agreement
FTAA	Free Trade Area of the Americas
IAMC	Institution of Collective Medical Assistance
IFI	international financial institution
IMF	International Monetary Fund
ISAPRE	private for-profit health care system
ISI	import substitution industrialization

IU	United Left, Izquierda Unida
LAPOP	Latin American Public Opinion Project
LB	Latinobarómetro
LBP	labor-based party
LCR	La Causa R, Radical Cause
MAS	Movement toward Socialism, Movimiento al Socialismo
MBR 200	Revolutionary Bolivarian Movement 200, Movimiento Bolivariano Revolucionario 200
MERCOSUR	Common Market of the South
MIR	Movement of the Revolutionary Left, Movimiento de Izquierda Revolucionaria
MNR	Nationalist Revolutionary Movement, Movimiento Nacionalista Revolucionario
MST	Movimento dos Trabalhadores Rurais Sem Terra
MVR	Fifth Republic Movement, Movimiento Quinta República
PAIS	Movimiento Patria Altiva y Soberana
PANES	Social Emergency National Assistance Plan
PAYG	pay as you go
PB	participatory budgeting
PCV	Venezuelan Communist Party
PDC	Christian Democratic Party, Partido Demócrata Cristiano
PDVSA	Petróleos de Venezuela
PIT-CNT	Plenario Intersindical de Trabajadores-Convención Nacional de Trabajadores
PJ	Justicialista Party, Partido Justicialista
PMDB	Partido do Movimento Democrático Brasileiro
PNP	Peruvian Nationalist Party, Partido Nacionalista del Perú
PODEMOS	Poder Democrático y Social
PPA	Plano Plurianual
PPD	Party for Democracy, Partido por la Democracia
PPT	Fatherland for Everyone, Patria Para Todos
PS	Socialist Party, Partido Socialista
PSCh	Chilean Socialist Party
PSDB	Party of Brazilian Social Democracy, Partido da Social Democracia Brasileira
PSP	Partido Sociedad Patriótico
PSUV	United Socialist Party of Venezuela, Partido Socialista Unido de Venezuela
PT	Workers' Party, Partido dos Trabalhadores

RN	National Renovation
SNIS	National Integrated Health System
UCR	Radical Civic Union
UDI	Independent Democratic Union
UN	Unidad Nacional
UPP	Police Pacification Units, Union for Peru, Unión por el Perú
VAT	value added tax
WTO	World Trade Organization

This page intentionally left blank

The Resurgence of the Latin American Left

This page intentionally left blank

Latin America's "Left Turn"

A Framework for Analysis

STEVEN LEVITSKY AND KENNETH M. ROBERTS

The beginning of the 21st century witnessed an unprecedented wave of electoral victories by leftist presidential candidates in Latin America. The wave began in 1998, when Hugo Chávez, a former paratrooper who had led a failed military uprising six years earlier, was elected president of Venezuela. Chávez was followed in quick succession by Socialist candidate Ricardo Lagos in Chile (2000); ex-metalworker and Workers' Party (PT) leader Luiz Inácio Lula da Silva in Brazil (2002); left-of-center Peronist Néstor Kirchner in Argentina (2003); Tabaré Vázquez of the leftist Broad Front (FA) in Uruguay (2004); and coca growers' union leader Evo Morales of the Movement toward Socialism in Bolivia (2005), the first indigenous president in that country's history. In 2006, ex–revolutionary leader Daniel Ortega and the Sandinista National Liberation Front (FSLN) returned to power in Nicaragua, while independent left-wing economist Rafael Correa won the Ecuadorian presidency.[1] By decade's end, leftist candidates had also scored improbable victories in Paraguay (ex-Catholic bishop Fernando Lugo) and El Salvador (Mauricio Funes of the Farabundo Martí National Liberation Front [FMLN], a former guerrilla movement). Incumbent leftist presidents or parties were subsequently reelected in Venezuela (2000, 2006), Chile (2006), Brazil (2006, 2010), Argentina (2007), Ecuador (2009), Bolivia (2009), and Uruguay (2009). By 2009, nearly two-thirds of Latin Americans lived under some form of left-leaning national government. The breadth of this "left turn" was unprecedented; never before had so many countries in the region entrusted the affairs of state to leaders associated with the political Left (see table I.1).

The political ascendance of the Left extended beyond these presidential victories. Leftist alternatives emerged or strengthened during the 2000s even in countries where they did not capture the presidency, such as Mexico, Colombia, Peru, and Costa Rica. In Honduras, one of the few remaining countries in the region with no significant leftist party, Manuel Zelaya of the center-right Liberal Party veered left after winning the presidency, eventually provoking a military coup. And crucially, the rise of leftist

Table I.1.
Left governments in Latin America, 1998–2010

Country	Party	President	Year elected
Venezuela	Fifth Republic Movement / United Socialist Party of Venezuela	Hugo Chávez	1998; reelected in 2000, 2006
Chile	Chilean Socialist Party (PSCh)	Ricardo Lagos Michelle Bachelet	2000 2006
Brazil	Workers' Party (PT)	Luiz Inácio Lula da Silva Dilma Rousseff	2002; reelected in 2006 2010
Argentina	Justicialista Party (PJ)	Néstor Kirchner, Cristina Fernández de Kirchner	2003 2007
Uruguay	Broad Front (FA)	Tabaré Vázquez José Alberto (Pepe) Mujica	2004 2009
Bolivia	Movement toward Socialism (MAS)	Evo Morales	2005; reelected in 2009
Nicaragua	Sandinista National Liberation Front (FSLN)	Daniel Ortega	2006
Ecuador	Country Alliance	Rafael Correa	2006; reelected in 2009
Paraguay	Patriotic Alliance for Change	Fernando Lugo	2008
El Salvador	Farabundo Martí National Liberation Front (FMLN)	Mauricio Funes	2009

alternatives was associated with a broadening of social and economic policy options in the region. Unlike the 1980s and 1990s, when candidates often campaigned for office on vague leftist platforms but governed as promarket conservatives (Stokes 2001), the post-1998 wave of leftist victories ushered in a new era of policy experimentation in which governments expanded their developmental, redistributive, and social welfare roles. The "left turn," therefore, changed not only who governed in Latin America, but also *how* they governed.

The rise of the Left was a stunning turn of events in a region where political and economic liberalism—buttressed by U.S. hegemony—appeared triumphant at the end of the Cold War. With the collapse of the Soviet bloc, the demise of statist and socialist development models, and the rise of the so-called Washington Consensus around free market or "neoliberal" economic policies (Williamson 1990; Edwards 1995), U.S.-style capitalist democracy appeared to be the only game in town in the 1990s. The debt and inflationary crises of the 1980s had discredited state-led development models, while neoliberal reforms deepened Latin America's integration into global trade and financial circuits, thereby narrowing governments' policy options. The reform process was directed by technocrats who claimed a mantle of scientific

expertise for free market policies that were backed by the U.S. government, the World Bank, and the International Monetary Fund (IMF) (Stallings 1992; Domínguez 1997). With labor movements in retreat and revolutionary alternatives seemingly foreclosed, historical rivals to liberalism from both populist and leftist traditions accepted market reforms. In the eyes of many observers, then, the Left had "all but vanished" in post–Cold War Latin America (Colburn 2002, 72).

By the late 1990s, however, the neoliberal consensus had begun to unravel. Although the free market model succeeded in controlling inflation, in much of the region it was plagued by anemic growth, periodic financial crises, and deepening social and economic inequalities. These problems created new opportunities for the mobilization of opposition, some of it channeled into the electoral arena by parties of the Left and some stoking the mass protest movements that toppled promarket governments in Ecuador, Argentina, and Bolivia (Roberts 2008b; Silva 2009).

Latin America's left turn was far from a uniform experience, however. New left governments varied widely: in Brazil, Chile, and Uruguay, institutionalized leftist parties maintained the relatively orthodox macroeconomic policies and liberal democratic constitutions they had inherited from nonleftist predecessors; in Venezuela, however, a populist outsider used plebiscitary means to rewrite the constitutional rules of the game, and he launched a statist and redistributive project that broke sharply with the Washington Consensus. Argentina, Bolivia, Ecuador, Nicaragua, and Paraguay fell in between these two poles, combining different types of policy and regime orientations in distinct ways.

The central purpose of this volume is to explain these diverse leftist experiments and assess their implications for democracy and development. We explore three main sets of questions. First, we seek to explain the sudden revival of leftist alternatives at the turn of the millennium. Our analysis highlights several common domestic and international factors that fostered the Left's ascendance—in particular, the institutionalization of democratic contestation under conditions of extreme social and economic inequalities and a relatively permissive international environment.

Second, we map and attempt to explain variation among leftist governments. The Left in Latin America is no longer defined by a commitment to a socialist model of development. Instead, its commitments to equality, social justice, and popular participation produce an open-ended struggle for social transformation that is subject to considerable experimentation and variation. As such, new left governments in the region have pursued diverse agendas. Although all of them are committed to a more equitable growth model, some are more willing than others to break with neoliberal orthodoxy by using state power to regulate markets, alter property relations, and redistribute income. Likewise, they vary in their willingness to work within preexisting liberal democratic institutions and in their commitments to popular participa-

tion. This volume thus seeks to identify and explain the variation in policy and regime orientations among left governments. Our analysis suggests that the different types of left government in contemporary Latin America are rooted in distinct historical experiences and pathways to political power. These historical paths shaped left parties' organizational characteristics, societal linkages, positions within party systems, and, ultimately, their approaches to policy reform and democratic governance.

Third, we evaluate the implications of the "left turn" for development and democracy in Latin America. The revival of the Left has placed the "big questions" back on the political agenda, belying the notion that the region had reached the "end of politics" (Colburn 2002) in the 1990s. Are new left governments crafting viable alternatives to the neoliberal model of capitalism that swept across the region in the wake of the Debt Crisis? What are the boundaries of policy experimentation in a global economy that is structured and disciplined by mobile capital? Has the revival of the Left enhanced the quality of democracy by incorporating previously excluded groups and creating opportunities for grassroots participation? Has it contributed to the consolidation of liberal democracy or generated potentially destabilizing forms of social polarization and power concentration that undermine institutional checks and balances? Since the answers to these questions vary across cases, a comparative perspective is essential for understanding the broader implications of Latin America's "left turn."

What's "Left" in Contemporary Latin America?

Before proceeding to these larger questions, it is necessary to clarify what is meant by "the Left." This is no easy task. Historically, the Latin American Left was conceived in ideological terms as movements of socialist, and particularly Marxist, inspiration. The Left was associated with a relatively well-defined alternative to capitalist models of development, one that emphasized public ownership of the means of production and central planning as opposed to market allocation of basic goods and services. Differences within the Left were largely strategic, related to the choice between revolutionary and democratic paths to socialism. By the 1980s, however, the crisis of Marxism as an ideological referent and of socialism as a development model compelled the Left to redefine itself (Castañeda 1993). Many leftists began to conceive of their project as an open-ended process of social transformation—one of "deepening" democracy—rather than a predetermined endpoint (see Garretón 1987; Roberts 1998). In terms of public policy, leftist platforms grew more moderate and ambiguous as historically left-of-center parties that won national power almost invariably watered down or abandoned their preexisting platforms.[2] Many, in fact, felt obliged to adopt neoliberal stabilization and adjustment policies. Those that remained in opposition, such as the PT in Brazil and FA in Uruguay, often maintained a more leftist profile, although this

tended to be based on little more than a rejection of neoliberalism. At the beginning of the 2000s, then, "What's Left?" remained an open question in Latin America, in terms of both programmatic content and the identity of political actors.

For the purposes of this study, the Left refers to political actors who seek, as a *central programmatic objective,* to reduce social and economic inequalities. Left parties seek to use public authority to redistribute wealth and/or income to lower-income groups, erode social hierarchies, and strengthen the voice of disadvantaged groups in the political process. In the socioeconomic arena, left policies aim to combat inequalities rooted in market competition and concentrated property ownership, enhance opportunities for the poor, and provide social protection against market insecurities. Although the contemporary Left does not necessarily oppose private property or market competition, it rejects the idea that unregulated market forces can be relied on to meet social needs (see Arnson 2007; French 2009). In the political realm, the Left seeks to enhance the participation of underprivileged groups and erode hierarchical forms of domination that marginalize popular sectors. Historically, the Left has focused on class differences, but many contemporary Left parties have broadened this focus to include inequalities rooted in gender, race, or ethnicity—although, as Deborah Yashar notes in chapter 8, the Latin American Left has been slow to address these non-class-based inequalities.

Given the shifting ideological terrain after the Cold War and the diversity of existing left projects, our definition is necessarily broad (see also Panizza 2005b, 729; and Cleary 2006, 36). Like the political reality it depicts, it does not produce neat boundaries. Because some of its attributes refer to gradations rather than categorical distinctions, partial or intermediate cases inevitably exist. Indeed, one finds considerable debate over whether politicians such as Néstor Kirchner (Argentina), Lucio Gutiérrez (Ecuador), Álvaro Colom (Guatemala), and Ollanta Humala (Peru) should be considered part of the Left. In general, we argue that what distinguishes left from nonleft forces is the programmatic centrality of redistributive policies. Although other political forces (e.g., many Christian Democratic parties) may support limited redistributive or social protection policies not unlike those championed by the Left, only left parties place redistribution and social equality (as opposed to simply "helping the poor") at the top of their programmatic agenda.

We treat as left governments only those parties and politicians that retain meaningful aspects of their platform while in office. Thus, historically left-of-center parties that largely abandon their redistributive commitments (e.g., the American Popular Revolutionary Alliance [APRA] in contemporary Peru) or politicians who campaign on the left but govern on the right after winning the presidency (e.g., Lucio Gutiérrez in Ecuador) are not considered leftist.

Populism and the Left

Our conceptualization should help to clarify the relationship between the Left and populism in Latin America. Populism is a notoriously elastic and contested concept (Roberts 1995; Weyland 2001). In contrast to those who define populism in terms of economic policy (Dornbusch and Edwards 1990, 1991), we treat it as a political phenomenon (see Weyland 2001). We define populism as the top-down political mobilization of mass constituencies by personalistic leaders who challenge established political or economic elites on behalf of an ill-defined *pueblo,* or "the people." Although populists appeal to the poor against an established elite, often including the economic elite, these appeals need not be left of center. Indeed, the programmatic content of populist appeals has varied considerably across cases and over time. During the 1930s and 1940s, Latin American populism was associated with the nationalistic, state-led development model known as import substitution industrialization (ISI), as well as a variety of redistributive and social welfare measures. Advocates of a "third way" between capitalism and socialism, many of these classical populists constructed corporatist channels of interest intermediation that provided material benefits for labor (and sometimes peasant) movements in exchange for political loyalty (Collier and Collier 1991).

During the 1990s, Latin American populism often took a more right-wing—and even neoliberal—form, as outsiders appealed to the (often disorganized and urban informal) poor against a political and economic elite that was associated with the ISI state (Roberts 1995; Weyland 1996, 1999a). Presidents Fernando Collor de Mello in Brazil, Alberto Fujimori in Peru, and, more recently, Álvaro Uribe in Colombia can hardly be described as leftist. Indeed, all of them carried out neoliberal economic policies. Yet they clearly had populist tendencies, in that they made unmediated mass appeals in opposition to the political establishment. Rather than attacking economic oligarchies, right-wing populists condemned what they characterized as a corrupt and exclusionary political class; and rather than promising to redistribute wealth, they offered economic stability and/or physical security.

Unlike the Left, then, populism should not be defined in programmatic or ideological terms. It is defined instead along a separate dimension related to patterns of political mobilization or modes of linkage between leaders and mass constituencies (see Ostiguy forthcoming). Leftist politics can be found at both the populist and the nonpopulist ends of this spectrum. Leftist leaders who subordinate or bypass partisan intermediaries to appeal directly to mass constituencies—for example, Hugo Chávez and Rafael Correa—may be considered populist. However, leftist leaders who emerge from and remain accountable to autonomous social movements, such as Evo Morales,[3] or institutionalized bases of partisan support, such as Lula, Ricardo Lagos,

or Tabaré Vázquez, are not. Similarly, populist leaders may be located on the left when they challenge the prerogatives of capital and redistribute income toward the poor, as in the case of Lázaro Cárdenas in the 1930s or Chávez in the 2000s. However, populists whose appeals center on nonredistributive issues such as nationalism, nativism, public order, or simply a rejection of the political establishment are often closer to the ideological Right. For this reason, populist figures such as Juan Perón (and, more recently, Ollanta Humala) are not easily located along the conventional left-right spectrum. Indeed, they frequently draw support from both ends of the ideological continuum (see Ostiguy forthcoming).

The revival of leftist and populist alternatives in Latin America may be rooted in similar kinds of social strains, but the two phenomena are not synonymous. Neither is the latter a subset of the former. They are analytically distinct phenomena that sometimes overlap but often exist in tension with each other. What must be asked, then, is why they returned to political prominence at the turn of the century after having been relegated by scholars to the dustbins of history in the early 1990s.

Explaining Latin America's "Left Turn"

Like the "Third Wave" of democratization (Huntington 1991), the resurgence of the Latin American Left has no single cause (see, e.g., Barrett, Chávez, and Rodríguez-Garavito 2008). Rather, it is rooted in multiple factors, some of which are long-term and structural, while others are short-term and contingent. Moreover, the relative weight of these factors shifted over the course of the 1998–2010 period. In this section, we break down the explanation into three parts: (1) long-term structural factors that facilitated but did not directly cause the left turn; (2) historically contingent factors, especially macroeconomic conditions, that triggered the initial wave of left victories; and (3) changing environmental conditions that helped deepen and extend the wave in the mid and late 2000s.

Long-Term Causes: Inequality and the Institutionalization of Electoral Competition

Two long-term factors underlie the Left's resurgence in Latin America. One is inequality: despite economic stabilization and the resumption of growth in the 1990s, Latin America remained plagued by severe poverty, inequality, and social exclusion at the dawn of the 21st century. In 2002, 221 million Latin Americans—44% of the regional population—lived in poverty (ECLAC 2004, 6), and income distribution in the region was the most unequal in the world. Poverty and inequality do not inevitably translate into left political success; conservative parties have often built political

loyalties among the poor through patron-clientelism, religious identities, and varied appeals to growth, order, and security. Nevertheless, poverty and inequality do create a potential constituency for the Left: a large pool of voters who are likely to be receptive to redistributive appeals (see also Cleary 2006, 37). The credibility of these appeals was undermined in the 1980s and 1990s, when the combination of inflationary pressures, fiscal crisis, weakened labor unions, and ideological disarray put the Left on the defensive. By the end of the 1990s, however, the failure of states under liberalized economies to respond to social needs allowed left parties and movements to "re-politicize" inequality (Roberts 2008b; Luna and Filgueira 2009) and place redistributive policies back on the political agenda.

A second condition that facilitated the Left's ascendance was the institutionalization of electoral competition (Castañeda 2006; Cleary 2006). Throughout much of Latin American history, leftist movements were denied an opportunity to contest power legally, first via restricted suffrage and later through mechanisms such as military intervention, proscription, and repression. The emergence in the early 20th century of Marxist and other radical movements seeking to transform property relations led elites to perceive left parties, even moderate ones, as a threat to the socioeconomic order. Polarization deepened during the Cold War, as left movements' real or perceived ties to the Soviet bloc led Washington to view them as a potential threat to U.S. security interests. In the name of anticommunism, left-of-center parties were often banned, repressed, or—when they made it into power—toppled by military coups, often with backing from the United States (e.g., Guatemala in 1954; the Dominican Republic, 1963; Brazil, 1964; Chile, 1973). During the 1970s and early 1980s, then, military repression inhibited leftist political participation in much of Latin America (O'Donnell 1973; Collier 1979), leaving a legacy of organizational weakness and fear on the Left that endured well after democratization.

The geopolitical environment had changed markedly by the 1990s, however, following the democratic transitions of the 1980s and the collapse of the Soviet bloc. Revolutionary alternatives largely disappeared, leaving much of the Latin American Left to embrace liberal democracy and accept the core features of capitalism, thus diminishing elite perceptions of the threat posed by leftist governments (Castañeda 1993). As left governments ceased to be perceived as a security threat, U.S. support for authoritarian alternatives waned, and military intervention sharply declined.[4] Democratic regimes consolidated in the Southern Cone and Brazil, and even where they remained weak and crisis-ridden, as in much of Central America and the Andes, electoral politics persisted. For the first time in history, then, left parties could openly organize and compete for power throughout Latin America (paradoxically, except for Cuba).

Leftist parties took advantage of this opening throughout the region. Even at the

height of the Washington Consensus in the 1990s, new left-of-center parties made significant gains in Brazil, Chile, El Salvador, Mexico, Uruguay, Venezuela, and elsewhere. These advances were particularly striking at the local level—where, as Benjamin Goldfrank suggests in chapter 7, the "left turn" really began—as leftist mayors were elected in Brasília, São Paulo, San Salvador, Mexico City, Montevideo, and Caracas. Control of municipal governments gave left parties an opportunity to solidify their organizations and support bases, gain experience, and establish reputations for administrative competence (Chávez and Goldfrank 2004).

In sum, social inequality and the institutionalization of electoral competition were crucial "permissive" causes of the "left turn" (Cleary 2009, 7). Persistent inequality created a large potential constituency for the Left that could be mobilized around claims for redistribution and expanded social citizenship. Stable democracy, meanwhile, allowed left parties to articulate social grievances and compete for elected office on a platform calling for social and economic change. The intersection of these two long-term structural and institutional conditions allowed the Left to overcome its post–Cold War crisis and regain the political offensive by the end of the 1990s.

Neoliberalism and Economic Crisis

Inequality and democracy cannot explain the timing of the left turn, however. The initial wave of leftist victories at the turn of the century was rooted in two key economic developments: the market-oriented reforms of the 1980s and 1990s and the 1998–2002 economic crisis. The left turn is commonly viewed as a backlash against neoliberal reforms,[5] as the unleashing of market forces exacerbated economic hardship and insecurity for many Latin Americans and the withdrawal of states from key areas of social protection eroded their ability to meet social demands. Indeed, levels of social inequality increased throughout much of Latin America during the 1990s (Huber and Solt 2004).

Yet it was not necessarily neoliberalism per se that drove voters to the Left.[6] There is little evidence of widespread public opposition to market-oriented policies during the 1990s; although privatization policies faced significant opposition, other elements of the Washington Consensus, such as free trade and foreign investment, enjoyed broad public support (Armijo and Faucher 2002; Baker 2003, 2008). Moreover, where neoliberal reformers were deemed to perform well—in particular, where they stabilized hyperinflationary economies—they were often reelected.[7]

The 1998–2002 economic downturn is thus critical to explaining the initial wave of left victories in Latin America. After experiencing modest growth between 1990 and 1997, most Latin American economies stagnated or sank into recession in the late 1990s. As a whole, Latin America experienced negative per capita growth between

1998 and 2002, and poverty and unemployment rates increased throughout the region (ECLAC 2003). By 2002, 60% of families in the region reported that an adult member of their household had been unemployed in the previous year (Latinobarómetro 2004).

The economic crisis benefited the Left in two ways. First, as is often the case in democracies, it hurt incumbents across the region. Incumbent parties lost the presidency in 14 of 18 Latin American countries between 1998 and 2004.[8] Since many of these parties were right of center, rotation in power could be expected to benefit the Left. Second, the downturn eroded public support for the economic status quo embodied in the Washington Consensus. Support for neoliberal policies like privatizations started to wane in the late 1990s (Panizza and Yañez 2005); by 2004, more than 70% of survey respondents across the region expressed dissatisfaction with the performance of the market economy (Latinobarómetro 2004, 39–41).

The 1998–2002 crisis thus benefited the Left by both weakening incumbents and eroding public support for the promarket policies they pursued. After 1998, voters in much of Latin America were inclined not only to support opposition parties but also to vote for candidates who promised an alternative—however vaguely defined—to neoliberalism. This dynamic was clearly at work in Venezuela in 1998, Brazil and Ecuador in 2002, Argentina in 2003, Uruguay in 2004, and Bolivia in 2005. Although there is little evidence of a broader shift to the left in terms of political identities or ideological self-placement (see chapter 1), the 1998–2002 downturn clearly created an opening for left-of-center alternatives.

Extending (and Deepening) the Wave: The Commodities Boom and Diffusion Effects

If the 1998–2002 economic crisis helped trigger the wave of left-wing victories, two changes in the external environment helped extend it over the course of the decade. The first was the post-2002 global commodities boom. As a result of soaring commodity export prices, economic growth rates in Latin America averaged 5.5% a year between 2004 and 2007 (ECLAC 2007, 85), the highest in decades. The export boom contributed to the left turn in two ways. First, just as economic recession hurt right-of-center incumbents in the early 2000s, high growth benefited left-of-center incumbents in the mid and late 2000s. Left incumbents were reelected in Brazil (2006, 2010), Chile (2006), Venezuela (2006), Argentina (2007), Bolivia (2009), Ecuador (2009), and Uruguay (2009), thereby extending the left turn.

Second, the export boom allowed left parties to actually govern on the left (see chapters 2 and 4). Whereas balance-of-payments and fiscal constraints induced even left-of-center Latin American governments to adopt conservative policies during the

1990s, improved fiscal and trade balances after 2002 provided left governments with new resources and policy latitude. Current-account surpluses and increased revenue flows reduced governments' dependence on the United States and international financial institutions, allowed them to avoid the kinds of fiscal and foreign exchange crises that had plagued populist and leftist governments in the past, and provided resources to invest in the types of social welfare policies traditionally associated with the Left. For the first time in decades, left-of-center governments were able to offer material benefits to popular constituencies—and to do so, moreover, without challenging property rights or adopting highly polarizing redistributive measures. The commodities boom thus permitted the adoption of statist policies and new social programs by governments that, under different circumstances, might have opted for orthodoxy.

Finally, it is likely that regional diffusion or demonstration effects contributed to the left turn in the latter part of the decade. The political success of Chávez, Lagos, Lula, and Kirchner in the early years of the wave helped break down the 1990s-era belief that left government was not viable. By the second half of the decade—when it became clear that left governments could maintain economic stability, avoid regime breakdowns, and even gain reelection—the perception of increased viability may have encouraged other leftists (such as Correa and Lugo) to pursue the presidency and induced voters to take a chance on the Left in countries like El Salvador and Paraguay where conservative parties had traditionally governed.

The resurgence of the Left in the 1998–2010 period may thus be attributed to a variety of factors. Inequality and democracy generated favorable conditions for the growth of leftist parties, but the 1998–2002 economic crisis, which eroded public support for conservative incumbents and the neoliberal policies they had implemented, played a major role in the initial wave of left victories, and the post-2002 commodity boom provided left parties with the resources and the policy space needed to govern on the left.

Beyond Right and Wrong: A Typology of Left Governments

It is widely recognized that no single "Left" exists in contemporary Latin America (see Panizza 2005b; Petkoff 2005a; Castañeda 2006; Lanzaro 2006; Schamis 2006; Lynch 2007; Weyland 2008, 2009; Flores-Macías 2010; Weyland, Madrid, and Hunter 2010). Indeed, many recent analyses converge around the idea that there are "two Lefts" in the region: moderate versus radical (Weyland 2009); moderate versus contestatory (Weyland, Madrid, and Hunter 2010); social democratic versus populist (Panizza 2005a; Lynch 2007); "right" versus "wrong" (Castañeda 2006); and even "vegetarian" versus "carnivorous" (Vargas Llosa 2007). Such dichotomies suffer from two short-

comings. First, they fail to capture the diversity of Latin American cases. Although the "two Lefts" model may characterize polar cases such as Venezuela and Chile, it has difficulty with cases—such as Argentina, Bolivia, Ecuador, and Paraguay—that fall somewhere in between (Leiras 2007, 399). For example, Bolivia is routinely classified, along with Venezuela, as "radical" or "populist"; however, the Movement toward Socialism (MAS) government differs from Chavismo in important ways, including its relative policy moderation and its deep roots in autonomous social movements (see chapter 10).

Second, these typologies pack together multiple dimensions, including organizational characteristics, economic policies, and regime orientations. Thus, the "radical" or "wrong" Left is said to be characterized by personalistic leadership, statist economic policies, and more autocratic rule, whereas the "moderate" or "right" Left is said to be institutionalized, market-oriented, and democratic. Although these features cluster together in some countries, such as Venezuela and Chile, this is neither always nor necessarily the case. Populist presidents may adopt market-oriented policies (e.g., Lucio Gutiérrez in Ecuador), and history suggests that institutionalized Lefts may sometimes adopt radical policy orientations (e.g., the Salvador Allende government in Chile).

We offer a more nuanced typology of governing Lefts, based on parties' organizational characteristics. We later examine whether these different types of Left are associated with distinctive policy or regime orientations. The typology has two dimensions: (1) the level of institutionalization and (2) the locus of political authority. The first dimension distinguishes between established party organizations and new parties or movements. In the former case, parties' organizational structures, support networks, and identities are longstanding; these parties have been competing in elections since well before the onset of the left turn. In the latter case, parties are recent creations; they were formed as electoral vehicles for leaders or popular movements that arose to challenge the political establishment during the crises of the late 1990s and the 2000s. The second dimension distinguishes between parties or movements that concentrate power in the hands of a dominant personality and those that disperse power more broadly within a party organization or social movement networks. Concentrated power tends to be exercised autocratically, and it directs or controls popular mobilization from above; dispersed power holds leaders accountable to the broader interests of parties or movements, and it allows popular mobilization to occur from below.

Combining these two dimensions generates four broad categories, as shown in figure I.1. The first category, which we label the *institutionalized partisan Left,* is located in the upper left quadrant. This category is characterized by institutionalized parties with relatively dispersed power. Within Latin American, it is this Left that most

	Established party organization	**New political movement**
Dispersed authority	**Institutionalized partisan Left** Electoral-professional Left (PSCh in Chile; PT in Brazil) Mass-organic Left (Broad Front in Uruguay)	**Movement Left** (MAS in Bolivia)
Concentrated authority	**Populist machine** (Peronism under Kirchner; FSLN in Nicaragua)	**Populist Left** (Chávez in Venezuela; Correa in Ecuador)

Fig. I.1. A typology of governing left parties in Latin America

resembles European social democratic parties. Two subtypes may be distinguished within this category. The first subtype, which we label *mass-organic,* refers to parties that maintain strong local branches, an active grassroots membership, and close ties to labor unions and other organized social constituencies. Mass-organic parties are deeply embedded in social networks, as they penetrate and sometimes organize civil society. Their electoral campaigns are labor-intensive affairs, with widespread mobilization of grassroots partisan and social networks. The second subtype may be labeled the *electoral-professional Left* (Panebianco 1988). These parties are controlled by cadres with established careers in the business of politics and expertise in the management of electoral campaigns, legislative procedures, and policymaking processes. Although they may once have possessed mass organizations with deep roots in civil society, electoral-professional parties are characterized by an erosion of local branches and a deactivation of the party membership. They are largely detached from popular movements and de-emphasize social mobilization outside the electoral arena. Their programmatic stance is therefore relatively open to adaptation to the competitive demands of the electoral marketplace (see Hunter 2010).

The Chilean Socialist Party (PSCh), the Brazilian Workers' Party (PT), and Uruguay's Broad Front (FA) are prototypical examples of the institutionalized partisan Left.[9] With deep roots in Latin America's socialist tradition and historic ties to labor unions and other popular constituencies, all three parties approximated the mass-organic subtype at some stage of their development. Over time, however, all three parties became more professionalized. The PSCh shifted in an electoral-professional direction as Chile redemocratized in the late 1980s and 1990s, and the PT moved

in that direction as well during the 1990s.[10] Both parties de-emphasized grassroots organization and loosened ties to popular movements in an effort to broaden their electoral appeal. In the process, they became more professionalized and less engaged in social mobilization outside the electoral arena. The Uruguayan FA has not been immune to these pressures (see chapter 15), but as chapters 5 and 6 show, it maintains a greater grassroots presence and stronger ties to popular organizations than do the PSCh and the PT. Hence, although no contemporary case unambiguously fits the mass-organic subtype, the FA most closely approximates it.

A second category of governing Left, located in the lower left quadrant of figure I.1, combines institutionalized parties with concentrated power in the hands of a dominant personality. We label these parties *populist machines.* Like the institutionalized partisan Left, populist machines are established organizations that have survived years (and even decades) in opposition, including, in some cases, periods of authoritarian rule. However, these organizations are harnessed to the political project of a dominant personality who stands at the apex of vertically structured authority relations. Although the origins of such authority relations may have been charismatic or populist (e.g., Peronism in Argentina, Aprismo in Peru), they tend to be institutionalized via patronage linkages. Patronage plays a central role in cementing the loyalties of secondary politicians, linking popular constituencies to local and regional party structures, and preserving centralized and personalistic leadership patterns. As a result, these parties tend to concentrate power in the hands of executive officeholders.

Populist machines are flexible and pragmatic in their policy orientation. As such, their location on the left is not fixed by ideology; they may tack to the left or the right, depending on the policy preferences of the party leadership and the social, economic, and political contexts in which they operate. Under the leadership of Néstor Kirchner, for example, Argentina's classic populist party, the Peronist Partido Justicialista (PJ), shifted programmatically to the left in 2003, following its sponsorship of neoliberal reforms under Carlos Menem in the 1990s (see chapter 12). We can thus locate the Kirchner government on the left even if the Peronist *party* cannot be categorized as such. Patron-client ties to popular constituencies provided continuity at the base of the party across these changes in leadership and programmatic orientation. In Peru, however, the stunning comeback of Alan García in 2006 affirmed his control over APRA's populist machine, even if he charted the party on a conservative trajectory that makes Peru an outlier, rather than a participant, in Latin America's left turn (see chapter 16). A less obvious populist machine case is the FSLN in Nicaragua. Although the FSLN was a revolutionary mass-organic party during its initial period in power (1979–90), it was increasingly transformed into a personal vehicle for Daniel Ortega during its 16 years in opposition. During the 1990s and the early 2000s, the

FSLN shed much of its revolutionary ideology and entered into a series of pacts with conservative forces, which triggered the defection of numerous Sandinista leaders and cadres. Thus, by the time Ortega returned to the presidency in 2006, the FSLN had evolved into something closer to a populist machine.

A third type of governing Left, found in the lower right quadrant of figure I.1, combines new political movements with concentrated or personalistic authority. We label this category the *populist Left,* a term that signifies the weakness of organized partisan intermediation as well as the top-down character of political mobilization. Leaders of the populist Left, such as Chávez in Venezuela, Correa in Ecuador, and, more ambiguously, Fernando Lugo in Paraguay,[11] are outsiders and opponents to established parties who capitalize on widespread disillusionment with the traditional political class. Their leadership is neither anchored in nor generated by autonomous social mobilization, but they may reap the political dividends of such mobilization or direct it from above after attaining public office. Chávez's charismatic authority, for example, gave political expression to diverse but disorganized forms of social protest, and it transformed the Venezuelan state into an instrument of popular mobilization around a plethora of redistributive reforms (see chapter 9). In Ecuador, a series of mass protests helped topple three successive elected presidents, without spawning a party or movement that was capable of effectively contesting state power in the electoral arena. Instead, it cleared the slate of partisan contenders and opened space for the election of Correa as an independent figure with little organized base of his own (see chapter 11).

The final category of governing left parties exists where autonomous social and political movements enter the electoral arena and create a partisan vehicle of their own to contest state power. This category, which we call the *movement Left,* is found in the upper right quadrant of figure I.1. Like the populist Left, the movement Left represents the emergence of a new political force that displaces traditional party organizations. Unlike the populist Left, however, its leadership is directly spawned by popular movements organized outside the electoral arena.

Movement Left parties are not uncommon in Latin America; the PT began as a labor-based movement Left before evolving into a more institutionalized and professionalized party (Keck 1992), and Ecuador's powerful indigenous movement spawned a party, Pachakutik, that competed in the electoral arena—with limited success—in the late 1990s and early 2000s (Van Cott 2005). Bolivia's Movement toward Socialism, however, under the leadership of Evo Morales, is a sui generis example of a movement left party winning national executive office by electoral means. Morales emerged as a leader of Bolivia's coca growers' union, which joined a fluid coalition of indigenous and popular movements in a series of mass protests after 2000 that forced two presi-

dents to resign. This social mobilization congealed around the newly reconfigured MAS, which finished second in the 2002 national elections and then captured an unprecedented majority of the presidential vote in 2005 (see chapter 10).[12]

Although Bolivia is routinely lumped together with Venezuela and Ecuador in conventional analyses of new left governments, the autonomous, bottom-up character of popular mobilization and the anchoring of Morales's leadership in organized social movements distinguished the Bolivian MAS during its formative years from those populist left cases. Whether these differences endure as the Left governs, however, is another question. Social movements do not easily translate into governing institutions, and the bottom-up dynamic of social mobilization out of which the MAS emerged proved difficult to sustain after it entered the electoral arena, and particularly after it won state power. Indeed, the growing dependence of the MAS on Morales's personalistic appeal and authority clearly pushed the movement in a more populist direction after 2005 (chapter 10). Even if the MAS's distinctive features become somewhat blurred over time, however, its very different formative experiences continue to shape the character of the party and its popular constituencies, and they require that it be placed in a different category.

Two caveats are in order regarding this typology. First, these categories are ideal types, and different cases approximate the categories in varying degrees. Indeed, some of the most interesting variation exists *within* our categories, as seen, for example, among the PSCh, the PT, and the FA in the institutionalized partisan Left. A second caveat is that cases evolve over time. During their formative periods, the PT and perhaps the FA in Uruguay and the FMLN in El Salvador could be characterized as movement left parties, but these parties shifted into the upper left quadrant as they institutionalized under the pressures of electoral competition. Likewise, movements such as Peronism and APRA shifted from the lower right (populist) quadrant to the lower left (machine) quadrant as they institutionalized over time; the same fate may yet await the populist movements led by Chávez and Correa in Venezuela and Ecuador, respectively. Finally, as noted, whereas the MAS belonged in the movement left category when it began its rapid ascent to power, the increasingly important role of Morales's leadership pushed it in a more populist direction during his presidency.

Historical Roots of Leftist Diversity

What explains this diversity in the governing parties and movements associated with Latin America's left turn? A major theme of this volume is that variation within the Latin American Left is rooted in distinct historical experiences and partisan trajectories. More specifically, different national experiences with authoritarianism, democratization, and economic liberalization during the waning decades of the 20th century

shaped and constrained the characteristics of leftist alternatives and the paths they took to power, with major implications for their policy orientations and approaches to democratic governance (see also Cameron 2009; Weyland, Madrid, and Hunter 2010).

The institutionalized partisan Lefts in Brazil, Chile, and Uruguay were originally Marxist or socialist parties that sought a radical transformation of capitalist economies and class structures. All were mass-organic parties with extensive activist bases and strong ties to unions and other social movements. In all three cases, the experience of bureaucratic authoritarianism in the 1960s and 1970s—accentuated in Chile by the collapse of Allende's democratic socialist experiment—spawned a process of political learning that made an indelible imprint on the Left. The Chilean Socialists (PSCh) and the Uruguayan FA were severely repressed, and while the Brazilian PT was not formed until the latter years of military rule, many of its leaders and cadres were longtime leftist activists who had similarly suffered military repression. In each case, the Left backed away from revolutionary objectives and made a restoration of liberal democracy the centerpiece of its political project in the 1980s. All three parties thus became important players in the democratic transitions in their respective countries. Viewing liberal democracy as a guarantor of human rights and civil liberties upon which popular political alternatives could be constructed, they committed themselves to play by the rules of newly established democratic regimes (Garretón 1987; Walker 1991). Indeed, by the 1990s the PSCh and the PT had de-emphasized social mobilization in order to prioritize electoral contestation, and all three parties became increasingly professionalized members of the political establishment.

Likewise, the FA, the PSCh, and the PT all lived through the crisis of statist and socialist development models in the 1980s. Although all three were initially staunch critics of neoliberal policies, they eventually concluded that long-term economic growth and efficiency required market liberalization and a vibrant private sector. With conservative forces taking the lead in the adoption of neoliberal reforms in all three countries, left parties could mobilize popular support by advocating relatively moderate redistributive policies that did not violate the core tenets of market orthodoxy (see Madrid 2010). As such, they provided institutionalized channels for the articulation of societal opposition to the neoliberal model, while contributing to the stabilization and programmatic alignment of party competition in new democratic regimes. Importantly, these new democracies were not in crisis. Although the 1998–2002 economic slowdown helped bring the Left to power in Brazil and Uruguay, in none of these countries was a leftist victory associated with widespread social protest, party system collapse, or regime crisis. On the contrary, leftist victories and stable alternation in office provided strong evidence that democratic regimes had consolidated.

Populist machines in Argentina and Peru followed somewhat different historical trajectories. Both parties were populist in origin, with charismatic leaders and more ideologically ambiguous and flexible platforms than left parties in Chile, Brazil, and Uruguay. Like these left parties, Peronism and APRA experienced periods of repression and authoritarian rule, and both parties institutionalized over time, particularly after the death of their founding leaders and the restoration of democracy in the early 1980s. Both parties retained strong grassroots organizations and identities, secured in part through patronage linkages, and a new generation of party leaders became central—and relatively moderate—members of the political establishment. In a break with the past, both parties embraced liberal democratic rules of the game.

Given their programmatic flexibility, neither Peronism nor APRA has adopted a consistent stand on the process of market liberalization. APRA leaned to the left during Alan García's first presidency in the 1980s, paying a steep political price for the hyperinflation that ensued, then veered to the right in 2006 when García defeated the left populist Ollanta Humala for the presidency. Likewise, the PJ opposed market liberalization as an opposition party in the 1980s, embraced radical neoliberal reforms under Peronist president Carlos Menem in the 1990s, then turned to the left under Néstor Kirchner in the aftermath of Argentina's 2001 financial debacle. Neither party, then, is a fixed member of the Latin American Left; their policy and spatial locations are highly contingent on prevailing economic opportunities and constraints, along with competitive dynamics among party leaders or factions and within their larger party systems.

The parties and movements on the right side of figure I.1 emerged out of a very different historical path. None of these parties existed during the wave of military dictatorships in the 1960s and 1970s, and none experienced the type of systematic military repression inflicted on the Left in countries like Brazil, Chile, and Uruguay. Military dictatorships in Bolivia and Ecuador in the 1970s supported redistributive reforms, while the new democratic regimes of the 1980s, including traditional parties of the Left, were saddled with the political costs of implementing austerity and structural adjustment policies. With party systems in disarray, and with no established party of the Left able to channel societal resistance to neoliberal policies (Madrid 2010), opposition was expressed by powerful social protest movements and personalistic, antisystem electoral candidates.

The leftist leaders and movements that eventually captured public office in Venezuela, Bolivia, and Ecuador were thus fundamentally new political actors that emerged *after* the regime transitions and the debt crisis of the 1980s. They were molded by the popular backlash against neoliberal reforms in the 1990s and the democratic regimes that implemented them—not military rule and the Debt Crisis (see Cameron 2009). As such, they did not go through the same process of political learning and program-

matic adaptation as the more historical parties discussed earlier. Neither did they institutionalize or professionalize their party organizations before arriving at power; their leaders and cadres were political outsiders rather than members of the political establishment, and relatively few had experience with electoral campaigns or governing responsibilities.

Chavismo, the MAS, and the political ascendance of Rafael Correa were all born in frontal opposition to the establishment, in contexts where neoliberal policies had triggered large-scale social protests and public disaffection with established parties had produced severe crises of political representation. In Venezuela, Bolivia, and Ecuador, party systems largely broke down in the 1990s and early 2000s, and democratic regimes fell into acute crisis. In Venezuela, the crisis was made manifest by the massive Caracazo protests and riots in 1989 and two failed military coups in 1992; in Bolivia, it was seen in the 2000 "water wars" and the 2003 "gas wars," which set the stage for popular uprisings that forced two presidents from office; in Ecuador, a series of mass protests toppled three consecutive elected presidents between 1997 and 2005. In these cases, new leftist parties based their electoral appeals on a radical promise to throw out what they characterized as a corrupt and exclusionary political elite and "re-found the republic"—that is, replace existing institutional arrangements with more authentically democratic ones.

In short, the new movement and populist Lefts in the Andean region emerged in contexts of acute crises, where democratic regimes, party systems, and development policies were heavily contested by social actors. Indeed, they could credibly claim to have captured public office with electoral mandates to carry out radical change in both political institutions and economic policies. These formative experiences stand in sharp contrast to those of the institutionalized partisan Left in Chile, Brazil, and Uruguay, which operated in consolidated democracies and received clear mandates to preserve institutional stability while attending to social needs.

The Left in Power: Policy Variation and Approaches to Democratic Governance

Given their diverse formative experiences, have these Lefts *governed* differently after coming into power? From a historical perspective, it is clear that the range of variation has narrowed, as the socialist and revolutionary alternatives of the 1960s and 1970s have disappeared. Whatever else it might be, the contemporary left turn is *not* a transition to socialism. Even in Venezuela, where the rejection of the neoliberal model has been most thorough (and where the rhetoric about "socialism for the 21st century" has been most prevalent), changes in property ownership and state-market relations after a decade of Chavismo remain far short of historical models of socialism.

Indeed, as Kurt Weyland suggests in chapter 3, Chávez's development policies bear a closer resemblance to the Venezuelan petro-state of the 1970s than to the socialist experiments of Allende or Castro. Although all the new left governments have supported redistributive policies, regulatory measures, or social citizenship rights that go beyond those prescribed by neoliberal orthodoxy, these initiatives have not placed any of them on the road to socialism. Instead, they reflect diverse efforts to construct post-adjustment "varieties of capitalism" (Hall and Soskice 2001; Huber 2002) that assign a larger role to the state in reducing social inequalities, controlling natural resources, and guarding against market insecurities.

In terms of political regimes, the range of variation is similarly truncated. Whereas revolutionary left governments in Cuba (1959) and Nicaragua (1979) came to power by force of arms, all of the new left governments in Latin America have been democratically elected. Moreover, all of them retained competitive electoral regimes with considerable political pluralism. Even in Venezuela, the most illiberal case, space for vigorous opposition remained open. Chávez submitted to regular electoral contestation even as he undermined institutional checks on executive authority, creating a hybrid regime that had more in common with that of Perón than the single-party regime of Castro.

Even within this truncated range of alternatives, however, one finds considerable variation in how the new Left has governed in Latin America. In the sections that follow, we lay out the range of variation in two principal arenas: (1) social and economic policy, or the degree to which governments break with the orthodox models associated with the Washington Consensus; and (2) approaches to democratic governance, or whether governments adhere to inherited constitutional rules of the game or seek to rewrite the rules in order to concentrate political authority and/or create new channels of popular participation.

Social and Economic Policy

As Murillo, Oliveros, and Vaishnav remind us in chapter 2, electoral victories by leftist parties do not guarantee that those parties will actually *govern* on the left. During the 1980s and 1990s, when statist development models were crippled by debt, balance of payments, and inflationary crises, several historically left or populist parties in the region won the presidency but implemented conservative stabilization and adjustment policies. Through capital flight and credit restrictions, global financial markets punished Latin American governments that lacked fiscal and monetary discipline, while international financial institutions conditioned debt relief on the adoption of orthodox market reforms. Opportunities for statist or redistributive policy experimentation were thus perceived as strictly limited, even by parties of the Left.

After 2000, however, the maneuvering space for left governments expanded. Not only did the orthodox policy consensus erode in the aftermath of the 1997–98 Asian financial crisis and its sequel in Argentina, but beginning in 2003, the region experienced a dramatic improvement in macroeconomic conditions, rooted in a classic commodity export boom. The commodities boom generated high growth rates, dramatically improved fiscal and trade balances, and reduced Latin American dependence on U.S. and international financial institutions, providing governments with greater policy latitude than they had enjoyed since the onset of the Debt Crisis. New left governments thus took office at a time when there existed at least some opportunity for social and economic policy experimentation.

ECONOMIC POLICY

Even with socialism off the agenda, left governments confronted a fairly broad range of alternatives with respect to fiscal and monetary policy, the state's role in regulating economic activity, and levels of openness to trade and foreign investment. To capture this variation, we organize left governments' economic policies into three basic categories: (1) orthodox; (2) statist; and (3) heterodox.

Orthodox policies largely conform to the inherited rules and principles of economic liberalism. Orthodox governments generally maintain strict fiscal and monetary discipline, as well as central bank independence. They may, for example, run budget surpluses, limit monetary emissions, and establish high positive interest rates, all indicating that economic stability and low inflation are prioritized over rapid growth. Similarly, they generally uphold (or expand) private ownership of productive sectors and let markets determine wages, prices, and labor relations. Finally, they maintain open trade and foreign investment regimes, with low tariffs and quotas, competitive exchange rates, and few restrictions on the movement of capital in or out of the country. Left governments in Brazil, Chile, and Uruguay, as well as the García government in Peru, may be characterized as orthodox in their core macroeconomic policies.

Statist policies, by contrast, redefine inherited economic rules of the game through a systematic expansion of state control over economic activity. Statist governments do not necessarily eliminate private property or competitive markets, but they subordinate each to nationalist and/or redistributive goals. To stimulate economic growth and popular consumption, for example, they may dramatically increase public spending and relax monetary policy, often at the expense of central bank independence. They may also expand state regulation of private economic activity through measures such as price controls, foreign exchange controls, and the (re)nationalization of strategic industries (especially natural resource export sectors and utilities that provide essential public services). Finally, statist governments may tighten state controls on

trade, foreign investment, and capital flows. Of the cases examined in this book, only the Chávez government in Venezuela clearly falls into the statist category.

Between these two poles lie a variety of *heterodox* economic strategies that involve a mix of orthodox and statist measures. Heterodoxy is characterized by selective, rather than comprehensive, forms of state intervention that challenge orthodox principles without fully abandoning the market-led model or making the state the primary engine of development. It may, for example, involve the takeover of a limited number of strategic industries; the imposition of selective controls over prices, foreign exchange, and investment; and the selective or temporary adoption of export duties or quotas. Left governments in Argentina, Bolivia, and Ecuador arguably fall into this category.

SOCIAL POLICY

Although not all new left governments in Latin America abandoned macroeconomic orthodoxy, all of them broke with neoliberalism and embraced redistributive social policies.[13] Under the neoliberal model, social needs were to be met, wherever possible, through private activities in the marketplace, thus minimizing societal pressure for greater public spending or state intervention in the economy. Neoliberal policies thus supported the privatization of social security (Madrid 2003; Weyland 2007) and the expansion of private health care and education systems. The primary emphasis of public social policy was to provide targeted poverty relief for low-income communities or individuals who were unable to meet their needs in the marketplace. With narrow targeting and modest expenditure levels—preconditions for limiting the tax burden—neoliberal social policies were not designed to be redistributive.

Given this starting point, new left governments have used social policy to pursue redistributive goals in several ways. The first is *increased expenditure.* In its minimalist form, this entails increased expenditures on existing targeted programs, such as conditional cash transfer payments to poor families. The Lula government in Brazil relied heavily on this strategy through its expansion of the Bolsa Família program launched by its predecessor (see chapter 13). More ambitious variants of this strategy involve the creation of new targeted social programs to provide a broader range of public services and other benefits to disadvantaged groups, including housing, schools, health clinics, and subsidized food markets in low-income communities. The various *misiones* launched by the Chávez government in Venezuela are a prime example (see chapter 9). Targeted social programs, then, are not intrinsically neoliberal in inspiration, and neither are they incompatible with redistributive goals; their redistributive character depends on expenditure levels and the scope of benefits (and, we might add, their funding sources and tax structures).

A second approach is to *extend the coverage* of existing social programs so that a

larger percentage of the population has access to benefits. Programs that target the very poor can be expanded "upward" to include needy but nonindigent groups. Alternatively, pensions, health insurance, and other social programs that traditionally concentrated their benefits on relatively well-to-do workers and the middle class can increase their coverage "downward" to incorporate excluded groups. In particular, women, domestic workers, and informal-sector employees have historically fallen through the cracks in the social safety net; the incorporation of such groups into public benefit programs is a significant step toward the construction of universal rights of social citizenship. As chapter 5 shows, left governments in Chile and Uruguay have taken significant steps in this direction.

A third means of redistribution is through labor market policies. Left governments may raise the minimum wage, facilitate collective bargaining, create or expand public employment programs, and reform (or simply enforce) labor legislation to expand workers' rights and strengthen unions. As the case chapters (part 2) show, governments in Argentina, Brazil, Chile, and Uruguay all oversaw substantial increases in the minimum wage, and the Kirchner and Vázquez governments actively strengthened labor's hand in collective bargaining.

Finally, although most contemporary left governments have taken pains to demonstrate a commitment to property rights, a few—most notably, those in Bolivia and Venezuela—have initiated bolder measures to redistribute assets and wealth, such as land reform. Left governments, therefore, are no longer synonymous with changes in property ownership, but neither do they necessarily leave property relations intact.

COMBINING ECONOMIC AND SOCIAL POLICY

All of the left governments examined in this volume, including those that maintained orthodox macroeconomic policies, used state power to alter the distribution of income and economic opportunities in their societies. For this reason, none of them should be characterized as neoliberal. Indeed, as chapter 15 suggests, the combination of macroeconomic orthodoxy and redistributive social policy seen in Brazil, Chile, and Uruguay could be labeled "social democratic" in a Latin American context. However, the Latin American cases remain far short of the classical European models of social democracy in the breadth of their redistributive policies, social citizenship rights, corporatist bargaining arrangements, and macroeconomic coordination and regulation. This is hardly surprising, given prevailing structural and organizational conditions: labor is less densely organized than under European social democracy, capital mobility is greater, structural inequalities and economic dependency are more profound, and levels of taxation are far lower. Given these differences, as well as the overall higher degree of economic liberalism in the Latin American cases, we believe it is premature to attach the social democratic label to them. To avoid stretching the

concept of social democracy, then, we use the term *social liberalism* to characterize the mix of orthodox fiscal, monetary, and trade policies with redistributive social policies found (to varying degrees) in Brazil, Chile, and Uruguay. We discuss social liberalism and the prospects for social democracy at greater length in the conclusion of this volume.

Adding the social policy dimension thus leaves us with three types of left government policy orientations in contemporary Latin America: *statism, heterodoxy,* and *social liberalism.* Of the cases examined in this volume, only Venezuela falls clearly into the statist category; Argentina, Bolivia, and Ecuador are characterized as heterodox; and Brazil, Chile, and Uruguay are characterized as social liberal. The García government in Peru, which combined orthodox economic policies and nonredistributive social policies, falls into a fourth—nonleftist—category: *orthodoxy.*

The Left and Democracy

New left governments also vary in their orientations toward democratic institutions. Historically, the Left's relationship with democracy in Latin America has been marked by considerable tension. Although left parties routinely participated in elections (where they were not banned from doing so), they were often ambiguous in their commitments to liberal democratic institutions. They often viewed these institutions as mere instruments for the attainment of more fundamental socialist objectives. Following the Cuban Revolution, important groups on the left rejected liberal democracy altogether in favor of revolutionary armed struggle.

In the wake of widespread repression under military rule in the 1960s and 1970s, however, many leftists abandoned revolutionary strategies and embraced the norms and institutions of liberal democracy. Democracy provided a set of institutional safeguards to protect human rights and manage the conflicts intrinsic to political pluralism. It also provided institutional space for left parties to mobilize popular constituencies for social and economic reform, thus reconciling—at least in theory—their commitments to social change with the procedural norms of liberal democracy. For much of the Left, this reconciliation revolved around the notion of "deepening democracy" through expanded opportunities for grassroots participation and the strengthening of rights to social citizenship (Roberts 1998).

Nevertheless, this reconciliation was never complete, as rival conceptions of democracy continued to circulate within the regional Left. Whereas many leftists embraced a strict liberal conception of democracy as a form of institutionalized pluralism, others viewed it as an expression of popular sovereignty, one in which subaltern groups could construct and empower a new political majority with an agenda for fundamental social and institutional change. In line with these rival conceptions,

then, orientations toward democracy may be analyzed along two primary dimensions: (1) respect for liberal democratic norms and procedures, and (2) the promotion of popular participation in the political process.

When combined, these two dimensions yield three basic orientations toward democracy. First, a *liberal democratic* orientation exists where the Left embraces institutionalized pluralism, including institutional checks and balances and the political rights of opposition groups. Liberal democratic Lefts fully respect—or strengthen—electoral procedures and civil liberties, while limiting popular mobilization primarily to the electoral arena. A *radical democratic* orientation combines respect for institutionalized pluralism with the construction of new channels for popular participation and support for relatively autonomous mobilization of social groups outside the electoral arena. Finally, a *plebiscitarian* orientation exists where leftist presidents appeal directly to popular majorities through plebiscitary mechanisms such as referenda or mass mobilization to bypass or alter institutional rules, concentrate political authority, and weaken opponents. Although plebiscitarian leaders may encourage popular mobilization, they direct or control it from above.

To what extent are these different orientations found among the contemporary Latin American Left? With the partial exception of Bolivia, radical democratic alternatives grounded in popular, grassroots participation have made little headway beyond the municipal level. Rhetoric aside, popular mobilization has generally been too localized or weak to exert much leverage on national-level politics. In the Venezuelan case, popular mobilization has been widespread, but it is subject to forms of top-down control that undermine its political autonomy and pose potential threats to pluralist competition. As chapter 7 suggests, the challenge of translating grassroots participation into a more expansive, deeper democratic experience—one that is both popular and pluralistic—remains an alluring but elusive target.

Liberal and plebiscitary approaches to democracy, though, were both present in the 2000s, and they were often in tension with each other. The leftist governments examined in this study vary in their degrees of adherence to established rules of the democratic game, their commitments to institutional change, and their respect for the rights of political minorities. Not surprisingly, this variation within the Left tends to be associated with broader regime attributes. Where established left parties compete within democratic regimes and party systems that are relatively consolidated—namely, in Chile, Brazil, and Uruguay—liberal democratic approaches have predominated. Conversely, plebiscitarian tendencies have emerged where leftist movements or leaders were recently spawned by the crisis of democratic regimes and the breakdown of traditional party systems—that is, in the cases of Venezuela, Bolivia, and Ecuador.

In sum, left governments in Latin America varied considerably in the 1998–2010

period, both in their economic policies and in their orientations toward democratic institutions. A major question explored in this volume is how to explain this variation. Our central claim, which we develop further in the conclusion, is that the diversity among left governments in contemporary Latin America is rooted in the historical paths that brought left parties and movements to power. Established left parties that experienced repressive military rule and the Debt Crisis were far more likely to work within inherited (orthodox) macroeconomic models and (liberal democratic) constitutional arrangements; new parties and movements that emerged in contexts of crisis-ridden democracies and popular backlashes against neoliberalism were more likely to abandon economic orthodoxy for heterodoxy or statism and to use plebiscitary means to challenge the existing constitutional order.

Plan of the Volume

The case studies in this volume amply demonstrate how different leftist alternatives have been conditioned by their formative experiences and the political and economic contexts in which they ascended to state power. Before turning to the case studies, however, part 1 provides a series of thematic chapters on major theoretical questions related to the left turn. In chapter 1 Jason Arnold and David Samuels analyze the Left and public opinion, and in chapter 2 María Victoria Murillo, Virginia Oliveros, and Milan Vaishnav explore the conditions associated with the adoption of leftist policies. Kurt Weyland (chapter 3) and Robert Kaufman (chapter 4) explore variation in macroeconomic policy alternatives, while Jennifer Pribble and Evelyne Huber (chapter 5) do the same with social policy. Samuel Handlin and Ruth Berins Collier (chapter 6) provide a comparative study of left party organizations and their social networks; and Benjamin Goldfrank (chapter 7) and Deborah Yashar (chapter 8) examine the implications of the left turn for popular participation and citizenship, respectively.

Part 2 of the volume focuses on cases. Chapters 9–11 focus on the turbulent Andean region, with chapters on Venezuela (chapter 9, by Margarita López Maya), Bolivia (chapter 10, by Raúl Madrid), and Ecuador (chapter 11, by Catherine Conaghan). Chapters 12–15 focus attention on the cases in the Southern Cone and Brazil, including Argentina (chapter 12, by Sebastián Etchemendy and Candelaria Garay), Brazil (chapter 13, by Wendy Hunter), Chile (chapter 14, by Kenneth Roberts), and Uruguay (chapter 15, by Jorge Lanzaro). We also include a chapter on Peru (chapter 16, by Maxwell Cameron), which shares features in common with the other Andean cases but is nevertheless an outlier to the regional trend of leftist victories. The Peruvian case thus helps us identify the factors that have prevented other countries from joining the left turn. Taken together, these contributions shed new light on the condi-

tions that brought the Left to power, as well as those that have shaped what the Left does with that power. It is to these questions that we now turn.

NOTES

1. In Ecuador, Lucio Gutiérrez was also elected president in 2002 on a leftist platform and with the support of leftist political groups, but he subsequently governed on the right. Presidents such as Álvaro Colom in Guatemala and Hipólito Mejía in the Dominican Republic also claimed leftist credentials, but given the ambiguities of these cases, we do not treat them here as part of the left turn.

2. Examples include the Revolutionary Nationalist Movement (MNR) and the Movement of the Revolutionary Left (MIR) in Bolivia, the Democratic Left (ID) in Ecuador, the Dominican Liberation Party (PLD) and the Dominican Revolutionary Party (PRD) in the Dominican Republic, Democratic Action (AD) in Venezuela, and the National Liberation Party (PLN) in Costa Rica. Each of these parties reversed course after winning the presidency and implemented policies that were considerably to the right of their campaign platforms (see Stokes 2001).

3. As discussed subsequently, however, the Morales government may adopt populist tendencies to the extent that it comes to control popular mobilization from above, thus stripping it of its autonomous character.

4. The U.S. government's embrace of the 2002 coup attempt against Hugo Chávez is an obvious exception.

5. See Castañeda 2006, 33, 28–30; Ramírez Gallegos 2006, 33; Mayorga 2007, 22; Rodríguez-Gavarito, Barrett, and Chávez 2008, 9–10; Baker and Greene 2011. Susan Stokes 2009 offers a somewhat distinct explanation of the link between neoliberalism and the left turn. Stokes argues that because economic openness brings greater insecurity, it generates public demands for greater social spending. In the 1990s, most Latin American governments opened their economies while simultaneously scaling back the public sector. This triggered increased public demands for social spending in the early 2000s, which translated into votes for the Left.

6. There is no clear-cut relationship between left success and either the depth or the effectiveness of market-oriented reforms. The Left won in Chile, where market reforms were consolidated and generated sustained economic growth; in Argentina and Bolivia, where radical reforms achieved some initial success but later plunged the economies back into crisis; and in Ecuador and Venezuela, where reforms were only haltingly implemented because of widespread political resistance.

7. This was the case in Argentina, Brazil, Mexico, and Peru. See Stokes 2001; Weyland 2002.

8. Among the 14, we include the case of Chile, where the presidency passed—albeit within the governing coalition—from the Christian Democrats to the Socialists. Only in Costa Rica, El Salvador, Nicaragua, and Paraguay did governing parties retain the presidency between 1998 and 2004.

9. Although it has a different development trajectory, given its origins as a revolutionary movement, the FMLN in El Salvador could also be placed in this category.

10. Compare the PT described in Keck 1992 with that in Hunter 2010 and chapter 13 (by Hunter) in this volume.

11. A left-leaning former Catholic bishop, Lugo was a personalistic outsider whose candidacy was backed by a diverse coalition of parties and social movements opposed to the long-governing Colorado Party (Lambert 2008). His coalition included Paraguay's most established opposition party, the Authentic Radical Liberal Party.

12. The MAS was not an entirely new party. A predecessor organization, Asamblea Soberanía de los Pueblos (ASP), was created in 1995 but fared poorly in elections (chapter 10). Prior to the 2002 election, the major social actors within the ASP, led by Morales, took the mantle of the MAS, which had previously been a marginal political party.

13. Governments that did not adopt significant redistributive social policies, such as the García government in Peru, are not scored as left.

CHAPTER ONE

Evidence from Public Opinion

JASON ROSS ARNOLD AND DAVID J. SAMUELS

What is the relationship between the "left turn" and contemporary public opinion in Latin America? Presently we know little about what is driving the "pink tide" at the mass level. Do the Left's election victories reflect a deep realignment of citizens' ideological beliefs, a fleeting flirtation with new ideas after the promise of economic liberalization proved illusory, or simply citizens' retrospective punishment of incumbents who are not leftist? Answers to these questions can help us interpret Latin America's left turn and can give us a better idea of what the future might hold for leftist parties around the region. If the left turn reflects a deep ideological realignment, leftist parties can expect to rely on a core of voters now solidly anchored on the left of the ideological spectrum. If the left turn reflects more idiosyncratic motivations or merely retrospective voting, then Latin America's left turn may itself be a fleeting trend.

On the one hand, the left turn has marked a historic degree of political change. As the editors note in their introduction, "By 2009, nearly two-thirds of Latin Americans lived under some form of left-leaning national government." Yet amid all of the excitement about the left turn, there is growing evidence of its moderation, and even of its lack of durability. Most leftist leaders have failed or declined to enact radical economic or social policy reforms, focusing on more limited and narrower efforts (see the case studies in part 2). Apart from Hugo Chávez and Evo Morales, Latin America's former labor leaders and guerrilla warriors have repeatedly evinced a commitment to capitalist free market economics—perhaps aware that their constituents are not unambiguously against economic liberalization (Baker 2009). And finally, in some countries the left turn may have already run its course. Sebastián Piñera's victory in Chile's 2010 presidential election was the first by a conservative candidate in that country since 1958, and moves to the right also appear possible in the near future in Argentina and Peru.

In this chapter we show that leftist gains at the elite level across Latin America have not been followed by similar gains at the mass level. Perhaps the political tide has

been pink rather than red—and it may already be ebbing—because Latin America's left turn represents a relatively shallow electoral phenomenon rather than a major realignment of citizens' ideological beliefs. Of course, a question that must be asked is, If recent mass behavior is not ideologically based for the most part, then what else explains the electoral success of leftist parties in recent years?

To answer this question, we first reveal the relatively shallow nature of ideological self-identity change at the mass level across the region. Although slightly greater numbers of Latin Americans now place themselves on the left of the ideological spectrum in some countries, elsewhere—including countries with leftist presidents—we have seen no mass-level shift to the left. In some countries, citizens' ideological beliefs have even shifted slightly rightward. Moreover, overall, Latin Americans continue to be ideologically conservative compared to citizens in other regions of the world.

Given the lack of evidence of an ideological transformation among voters in Latin America, we turn to other potential explanations for the recent success of leftist candidates. First, we reveal generally stable attitudes about the distribution of wealth over time. As the editors note in the introduction, the key distinguishing feature of the contemporary Left is the "programmatic centrality of redistributive policies." However, voters over time have barely changed their thinking on this issue, suggesting that left leaders' redistributivist rhetoric has failed to resonate with citizens. But the proportion of citizens who perceive the existing distribution of wealth to be a problem remains very high, suggesting opportunities for building electoral coalitions around redistributive policies.

If Latin Americans are not self-identifying in significantly greater numbers as leftists, and if they are not embracing the politics of redistribution, perhaps the left turn can be explained in terms of an association between leftist leaders and declining mass support for representative democracy. For example, Seligson's findings (2007) suggest that left-leaning Latin Americans support a "delegative" (O'Donnell 1994), Rousseauian, or perhaps populist vision of democracy, one that advocates strong majoritarianism and sees parties, elections, courts, and legislatures as nuisances. Such an interpretation also finds an echo in recent discussions of the perceived spread of "illiberal democracy" around Latin America (Zakaria 1997; Diamond and Morlino 2005), particularly the idea that there is a connection between citizens' disillusionment with democracy and support for populist leaders who—once elected—take liberties with the established democratic system. Some scholars have suggested that the contemporary Latin American Left represents a critique of representative democracy as elitist, even though it offers no coherent alternative (e.g., Avritzer 2002; Roberts 2002; Cleary 2006; Schamis 2006).

We find little evidence to support the conclusion that Latin America's left turn rep-

resents disillusionment with democracy. Most Latin Americans are disappointed with the *performance* of democracy, but a substantial majority support democracy as a *form of government,* and only a small minority advocate a populist vision of democracy. In short, most Latin Americans continue to support "actually existing democracy" over nondemocratic alternatives and do not support a populist vision of democracy.

Our findings lead us to accept the likelihood that the left turn was driven by retrospective evaluations of incumbent performance and pocketbook issues rather than ideology. Panizza (2005b) has suggested something akin to this hypothesis, that a "loser's alliance" is driving voting patterns in contemporary Latin America (see also Benton 2005). This notion implies that citizens' voting behavior is, at the aggregate level at least, largely devoid of policy or ideological content: contemporary "losers" have little in common except a belief that economic reforms and economic performance have left them in worse shape. While we do not directly test this argument, our analysis provides corroborating evidence and clearly indicates that ideological shifts at the elite level have not been mirrored by similar shifts at the mass level.

The one important exception to the thrust of our argument may help explain Latin America's left turn over the past decade. It is clear that contemporary leftism in Latin America is increasingly associated with anti-Americanism. Anti-Americanism in Latin America is on the rise across the political spectrum, but leftist leaders are more likely than centrist or conservative leaders to exploit latent anti-Americanism. This means that we confront a chicken-and-egg question: is mass anti-Americanism contributing to Latin America's left turn, or is Latin America's left turn contributing to the rise of anti-Americanism? Both forces are almost certainly at work. In sum, Latin America's left turn is driven largely by reactions to economic performance and by negative perceptions of U.S. foreign policy, both of which may change in the near term. In turn, this implies that the left turn is likely temporary and does not reflect a deep, long-term ideological realignment.

Are Latin Americans Increasingly "Leftist"?

According to the Latinobarómetro, the answer to this question is clearly no. Scholars have previously noted that Latin Americans tend to identify as slightly more *conservative* than citizens elsewhere in the world. For example, Seligson notes that Latin American citizens' average "self-placement" score on a left-right scale (0–10) in the World Values Surveys (WVS) from 1981 through 2004 is 5.56, or slightly right-biased in comparative perspective. Seligson's own Americas Barometer echoes the WVS findings almost precisely (Seligson 2007), yet the Americas Barometer currently lacks time-series data for the entire region.[1]

Analysis of annual Latinobarómetro (LB) surveys from 1996 until 2008 confirms

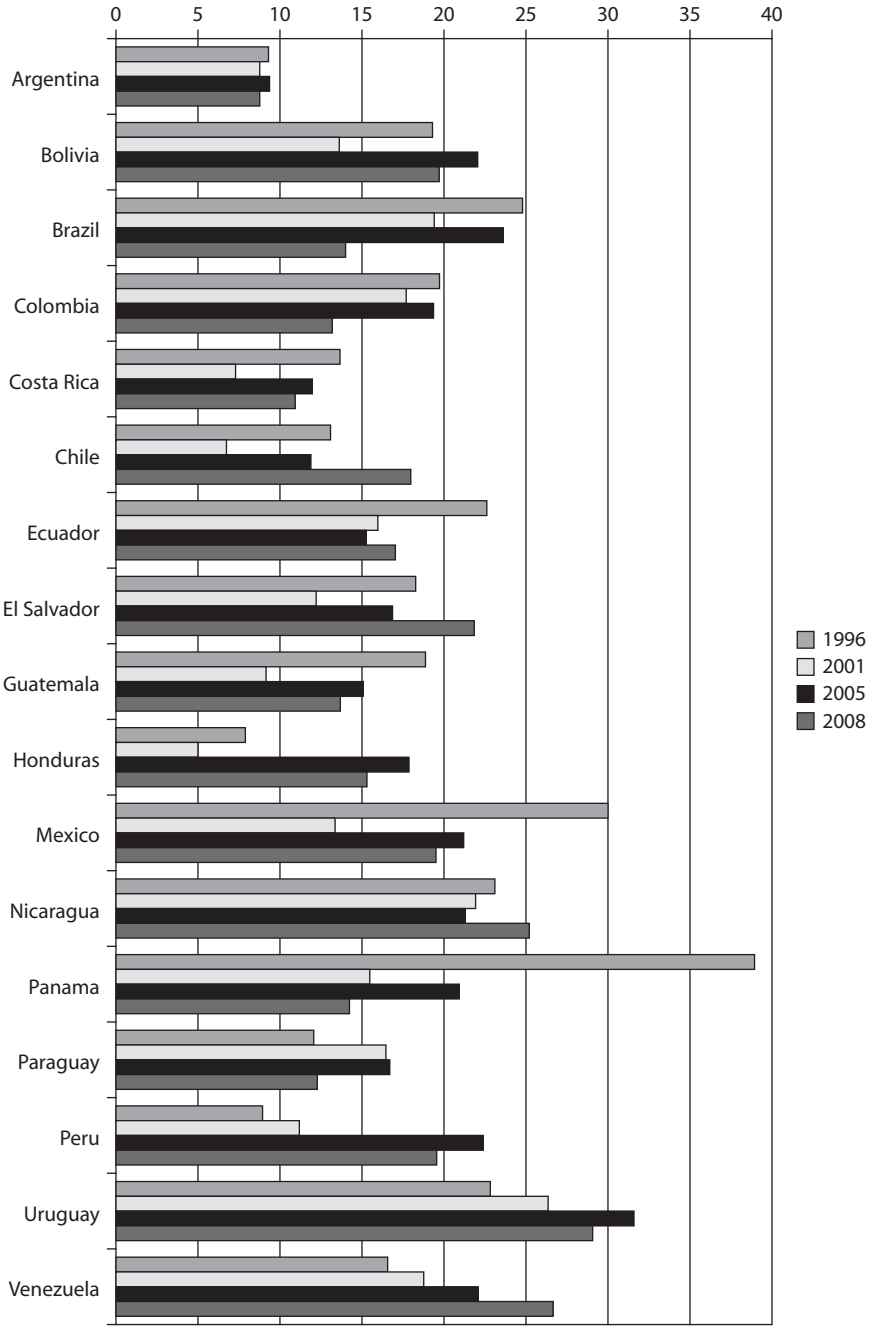


Fig. 1.1. Percentage of the population identifying as leftist. *Source:* Latinobarómetro.

the findings of both the WVS and Seligson. The country-weighted average self-placement score on the 0–10 left-right "ideology" scale in 1996 was 5.33, again slightly right-biased (the midpoint of the scale is 5). By 2001 Latin Americans had moved somewhat more to the *right*—the average score was 5.92—but by 2008 the score had shifted back to 5.25. This leaves Latin America slightly more left-wing than it was in 1996, but the region remains on average center-right.

In short, there is no evidence of a regionwide swing to the left among the general population in Latin America, in terms of ideological self-awareness as "leftists." However, it is important to note that the average left-right score within and across countries is not a fully valid measure of ideological self-placement of a country's citizens, because assessing the average requires excluding all respondents who did not answer the question—about 20% of the total in each year. Given the fairly high nonresponse rate to this question, in the remainder of the chapter we try to reduce potential validity problems by exploring only the proportion of citizens who identify as "leftist," using answers of {0,1,2,3} on the 11-point left-right ideological spectrum scale as indicators of "leftism." Figure 1.1 provides the percentage of citizens in each country who identified as "leftist" in 1996, 2001, 2005, and 2008 using this criterion.

Figure 1.1 hints that a swing to the left did occur in seven countries: Chile, El Salvador, Honduras, Nicaragua, Peru, Uruguay, and Venezuela. Elsewhere the proportion of leftists remained stable or even declined. Only Honduras, Peru, Uruguay, and Venezuela appear to exhibit both consistent and large shifts leftward. Peruvians' exhaustion with the conservative Alberto Fujimori and disappointment with the centrist Alejandro Toledo and with Alan García's conservative second administration may help explain that country's trend. The success of the leftist Frente Amplio (Broad Front) against the long-dominant Colorado and National parties in Uruguay helps explain that country's shift; and certainly the rise and success of Hugo Chávez helps explain the gradual increase in self-professed leftism in Venezuela. The case of Honduras is more puzzling, although the increase might be partly due to the comparatively low 1996 baseline of 7.8%—a relatively low number even within the more conservative Central American bloc.

All in all, the average change from 1996 to 2008 was –1.2%, indicating a modest decline in leftist self-identification across the region. The large increases in Venezuela and Peru (10.2 and 10.6) were mirrored by large decreases in Brazil and Mexico (–10.8 and –10.5).[2] The distinctly left turns at the elite level in Bolivia and Ecuador have not been followed by changes at the mass level (0.4% and –5.6%). Clearly, there was no obvious *regionwide* leftward trend. While some countries did experience a leftward shift, there is no evidence of a dramatic ideological realignment—a so-called left turn.

Stable Views on the Distribution of Wealth

If there really were a mass-level left turn driving or following the wave of recent leftist electoral victories, we might expect to observe changes in Latin Americans' attitudes about inequality and the distribution of wealth across society. While left parties across the region vary in their ideological commitments, they share to various degrees a commitment to redistributive policies. If the left turn represents a state-society ideological realignment, at the very least we would expect that more citizens would express skepticism about the justness of the existing socioeconomic order. What is remarkable, however, is how *stable* attitudes about wealth distribution have remained since the left turn began. Evidence from the Latinobarómetro shows no important changes in Latin Americans' attitudes about the distribution of wealth from 1997 to 2007 (see fig. 1.2).

The proportion of citizens believing the distribution of wealth to be "unfair" or "very unfair" barely changed over the 10-year period—in fact, the only change was a slight decrease. Although a 7% jump is evident from 1997 to 2001, the number dropped back to the baseline by 2007, signifying either an initial burst of leftist enthusiasm that soon dissipated or a post-2001 increase in satisfaction with wealth distribution, perhaps because of left governments in action. Indeed, the apparent lack of increased concern might reflect the success of left politicians in ushering in a new, fairer wealth distribution.

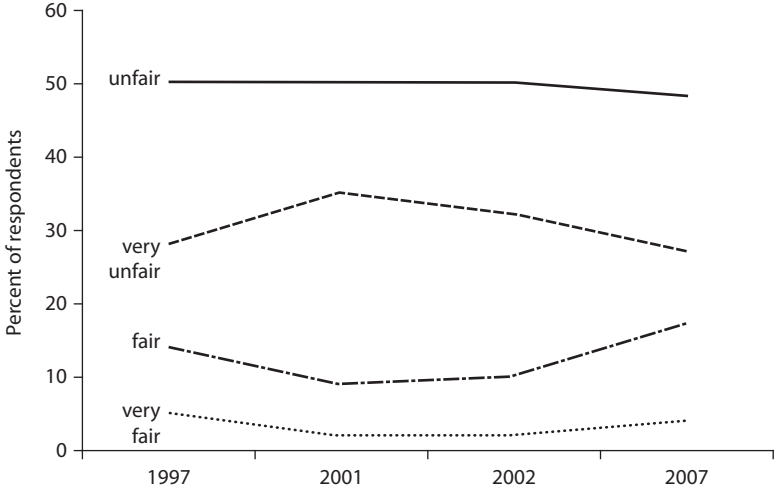


Fig. 1.2. Attitudes about the distribution of wealth in Latin America. *Source:* Latinobarómetro.

The reality on the ground, however, does not bear this out, because income inequality remains a distinguishing characteristic of Latin American societies—on average, inequality measured with the Gini coefficient *increased* in the past decade. In addition, as noted elsewhere in this volume, left presidents in office have generally implemented moderate (center-left) policies that, at best, blunt the hard edges of the post-ISI (import substitution industrialization) neoliberal order. Unless there is a disjuncture between citizens' perceptions of wealth distribution and the reality on the ground, the observed stability in attitudes represents just that—the absence of change.[3] Future research might explore whether citizens have increasingly and incorrectly perceived more equitable wealth distributions because they believed left governments were addressing the issue.

However striking the lack of change, one thing remains clear: many Latin Americans continue to believe the distribution of wealth is "unfair" or "very unfair": 78% in 1997 and 75% in 2007. Left politicians might still be able to tap into voters' frustrations about inequality, either by offering policies that directly transfer wealth from rich to poor or by taking more indirect steps toward wealth redistribution through social policy. In any case, supermajorities of Latin Americans continue to perceive a problem of social justice and are likely receptive to the idea that governments play an instrumental role in redistribution. Indeed, about 90% of Mexicans, Chileans, and Brazilians and about 80% of Costa Ricans and Panamanians indicated their support in 2009 for government intervention in this area (BBC World Service 2009).[4] All told, it might be the case that left politicians in the region *under*emphasized wealth redistribution in the 2000s.

Disillusioned Democrats?

If we cannot discern a region-wide swing to the left in self-identification and attitudes toward wealth distribution, can we discern trends in citizens' views about representative democracy? Seligson (2007) claims that left-leaning Latin Americans may not be "ideological" in the classical sense but they are comparatively less supportive of democracy as a system of government and thus by implication might evince greater support for nondemocratic alternatives. If Seligson is right, perhaps Latin America's left turn reflects a further erosion of support for democracy and a turn toward "delegative" or "illiberal" democracy (O'Donnell 1994; Zakaria 1997), led by politicians who disdain representative institutions and elections.

In this section we use the LB to explore four questions related to citizens' support of democracy: (1) the extent to which citizens across the political spectrum are satisfied with the *performance* of democracy; (2) the degree to which they have *lost*

confidence in the institutions of liberal democracy; (3) the degree of satisfaction with democracy *as a form of government;* and (4) their faith in the *efficacy of voting,* that is, the capacity for participation in electoral politics to make a real difference.

The evidence we present is somewhat contradictory. First, dissatisfaction with the performance of democracy remains high and fairly constant across the political spectrum. However, such dissatisfaction actually declined slightly from 1996 to 2005, again across the political spectrum. Second, the reason for this dissatisfaction remains rooted in regionwide and nearly universal lack of confidence in the main institutions of representative democracy, legislatures and political parties. Again, such sentiments are hardly limited to leftists.

However, support for democracy as a preferred form of government, which is distinct from satisfaction with democratic performance, remains high and shows no regionwide decline, and we see no evidence of associated increases in support for authoritarianism as an alternative form of government. Finally, we show that most Latin Americans—no matter their ideology—have gained faith over time in the efficacy of representative, electoral democracy. That is, Latin Americans in increasing numbers over the past decade express the belief that voting can make a positive change in their lives. Together, these trends give the impression that Latin Americans are disillusioned democrats but not radical populists. Most citizens support representative democracy, even though their leaders and institutions repeatedly disappoint them.

Satisfaction with Democratic Performance

Observers have long bemoaned the low regard Latin Americans hold for their leaders and national institutions. *The Economist,* for instance, uses the LB to trot out an annual article highlighting the tenuous support for democracy around the region. One LB question observers frequently point to asks respondents, "In general, would you say that you are very satisfied, fairly satisfied, not very satisfied or not at all satisfied with the way democracy works in [nation]?"[5] The results reveal that relatively few Latin Americans express great satisfaction with the performance of democracy. In 1996, 72% of all Latin Americans responded to this question with "not very" or "not at all" satisfied. Only in two countries, Costa Rica and Uruguay, were more citizens satisfied ("very" or "fairly") with democracy than not satisfied ("not very" or "not at all"). While this level of dissatisfaction with democratic performance has remained high over time, it is important to note that the overall level of dissatisfaction with democracy had *declined* to 62% (from 72%) by 2008.

To what extent are these high numbers driven by Latin American leftists' alleged antidemocratic impulses? Table 1.1 reveals that self-identified leftists are only slightly

Table 1.1.
Dissatisfaction with democracy

	1996	2001	2005	2008
Left	75.6	74.2	68.2	59.4
Not left	70.7	71.6	66.4	62.2
Regional trend	71.7	72.0	66.8	61.7

Source: Latinobarómetro.

more dissatisfied with democracy than nonleftists (the percentages indicate the proportion answering "not very" or "not at all" satisfied; the regional trend includes those who do not place themselves on the left-right spectrum).[6] However, leftist dissatisfaction *declined* 16.2 points over the decade, while nonleftist dissatisfaction declined only 8.5 points. These results could suggest a slight improvement in all citizens' satisfaction with democracy—with leftists' views improving a bit more than those of nonleftists. We will only note that a large majority of Latin Americans remain dissatisfied with democracy's performance and that self-identified leftists are no more or less dissatisfied with democracy than others.

Institutional Confidence

Despite the improvements noted above, levels of democratic dissatisfaction remain quite high across the region. We now examine one potential reason—institutional performance—why so many Latin Americans remain dissatisfied with democracy, and we look at the extent to which leftists differ from nonleftists on this point. The LB asks respondents, "Please, look at this card and tell me how much confidence you have in each of the following groups, institutions or persons mentioned on the list: 1) a lot 2) some 3) little or 4) no confidence."[7] Table 1.2 reveals the extent to which citizens hold the main institutions of representative democracy—political parties and the

Table 1.2.
Confidence in institutions (sum of "little" and "no" confidence)

		1996	2001	2005	2008
Parties	Regional trend	74.4	78.7	79.8	75.6
	Leftists	75.9	77.0	79.2	75.3
	Not leftists	73.9	78.0	78.5	75.6
Congress	Regional trend	66.9	73.4	67.1	64.1
	Leftists	70.3	74.5	67.7	63.6
	Not leftists	66.1	72.4	65.8	64.2

Source: Latinobarómetro.

national legislature—in low regard.[8] As the results make clear, most Latin Americans have a very low opinion of the main institutions of representative democracy. Attitudes about parties overall have grown worse since 1996, although levels of confidence have recently increased after reaching a LB series low of 20% in 2005. Confidence in legislatures has increased since 1996 and has similarly moved in a positive direction after a sharp decrease in the earlier part of the series.

Nevertheless, table 1.2 shows no difference in opinion across ideological groups: self-professed leftists and nonleftists vary hardly at all in their low regard for both parties and legislatures. Taken together, the information in tables 1.1 and 1.2 suggests that although the left turn in Latin America may not be a function of decreased satisfaction with democracy generally, it might be due to tremendous dissatisfaction with the performance of parties, the traditional agents of democratic representation. However, this interpretation would explain "change" (a "turn" to the left) with a constant, because levels of dissatisfaction were quite high to begin with.

As table 1.2 obscures important country-specific information, it is worthwhile to disaggregate these regional trends. For example, over the past decade, confidence in parties declined across the political spectrum in some countries (e.g., 12% in Chile, 11% in Nicaragua, and 14% in Paraguay), far more than the regional trend implies. Yet Colombia, El Salvador, Uruguay, and Venezuela stand out for going against the grain. In these countries, citizens' confidence in parties *improved* substantially across the political spectrum—perhaps because incumbent parties or presidents performed well, at least in the minds of those countries' citizens. We suggest that incumbent performance may affect citizens' regard for "democratic performance" in each country. This hypothesis, which merits further exploration, suggests that the regional "left turn" reflects little more than democracy working as it is supposed to: voters kick out politicians and parties who disappoint them and reward those who perform well.

Some detail about the countries where confidence in parties improved helps put the trends in context. In Colombia the lion's share of the improvement occurred between 2001 and 2005, during Álvaro Uribe's first term. Uribe is a conservative, yet the LB shows that both leftist and nonleftist Colombians softened their dislike for political parties. In Uruguay, although no leftist president won until late 2004, opinion about parties has improved since 1996 and is especially apparent on the left of the political spectrum—perhaps because of the Frente Amplio's good performance heading the municipal government of Montevideo. As for Venezuelans, their opinions of parties and the legislature were near the bottom for the region in 1996, so there is some element of regressing to the mean in that country. Nevertheless, we can attribute some of the improvement in the opinions of parties, especially among self-professed leftists, to the success of Hugo Chávez as president—a somewhat ironic development, given his disdain for parties and the legislative branch of government.

In short, Latin Americans held nearly consensually negative opinions of political parties and representative institutions when the Latinobarómetro was first implemented. In contrast to one implication of Seligson's argument (2007), the LB suggests that leftists and nonleftists hold similar levels of disdain for the instruments of representative democracy across Latin America. However, whereas the regional trend shows increasing distrust toward parties and an unchanging negative view of legislatures, the country-by-country breakdown reveals important variation. Such variation suggests that opinions about institutions are rooted in citizens' perceptions of incumbent performance—factors the Latinobarómetro unfortunately does not consistently measure—rather than in any antidemocratic ideological worldview.

Satisfaction with Democracy as a Form of Government

The starkest question the LB poses about democracy asks: "Which of the following statements do you agree with most: (1) Democracy is preferable to any other form of government; (2) In certain situations, an authoritarian government can be preferable to a democratic one (see fig. 1.3); and (3) To people like me, it doesn't matter whether we have a democratic government or a non-democratic government." This question offers perhaps our best measure of whether leftists in the region have turned decisively away from democracy, even embracing or tolerating (left-wing) authoritarianism as a viable alternative.[9]

Figure 1.3 indicates no such trend. First, it shows that a relatively small proportion (15–20%) of Latin Americans support authoritarianism over democracy and that this proportion has remained fairly constant since 1996. Second, it reveals that differences between leftists and nonleftists in terms of receptivity to authoritarianism remain slight. In 1996, 16.8% of nonleftists indicated a conditional preference for authoritarianism, whereas 16.5% of leftists answered similarly. Nonleftists jumped ahead of leftists by 2.8 percentage points in 2001 (20.4% supporting authoritarianism versus 17.6%), while support for authoritarianism in both subsets declined slightly from 2001 to 2005, returning to near-1996 levels, and remained stable after that. These trends clearly eliminate the possibility of a regional antidemocratic leftist wave.

Although leftists across the region apparently are no more likely to support authoritarianism than nonleftists are, the LB signals some noteworthy country-specific trends. From 1996 to 2008, support for authoritarianism among self-professed leftists increased substantially (>10%) in El Salvador, Guatemala, and Peru and less so in Chile, Honduras, and Panama. However, leftist support for authoritarianism as a form of government declined in 11 of 17 Latin American countries between those two years.

While support for authoritarianism remains low, leftists and nonleftists alike re-

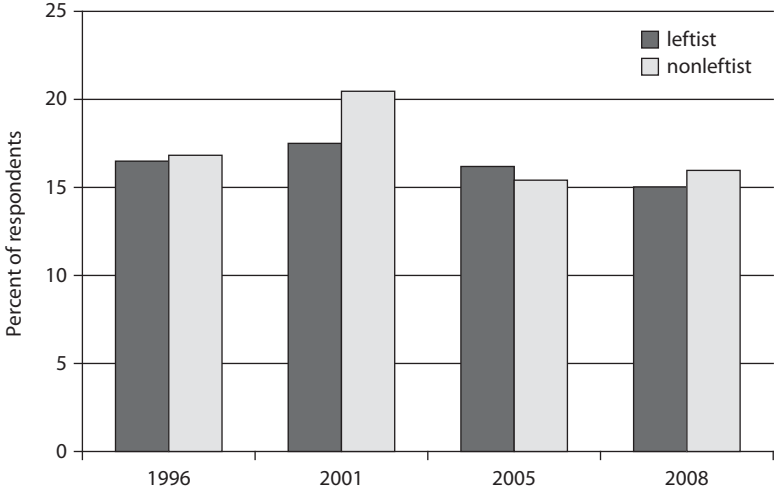


Fig. 1.3. Authoritarian government preferable in some situations. *Source:* Latinobarómetro.

main surprisingly ambivalent about democracy. One in four Latin Americans in 2008 answered, "It doesn't matter" or "I don't know" to a question about whether democracy or dictatorship is preferable. Indeed, more citizens in the region now, compared with 1996, indicate ambivalence about the preferred form of government. Nevertheless, as with support for authoritarianism, differences across the ideological spectrum are slight. Increasing ambivalence and declining support for democracy in some countries may be cause for concern, but self-identified leftists are not alone in driving this pattern.

Increasing Democratic Cynicism?

We have learned thus far that although many Latin Americans are dissatisfied with democratic *performance,* relatively few wish to replace the democratic *regime.* Indeed, the LB reveals that most Latin Americans continue to believe voting can make a real political difference. Most citizens have faith in the potentially transformative effects of their own individual participation in representative, electoral democracy. However, sizable minorities of citizens across Latin America continue to believe that voting makes no difference whatsoever.

The LB asks, "Some people say that the way you vote can change the way things will be in the future. Others say that no matter how you vote, things will not improve in the future. Which statement is closest to your way of thinking?" Respondents are allowed only the "voting can make a difference" or "voting makes no difference"

options.[10] The results for this question suggest Latin Americans may not be as cynical about democracy as we are often led to believe. Figure 1.4 presents the regional trend, looking only at the jaded pessimists across the political spectrum, that is, those who say voting makes "no difference."

Over the past decade, Latin Americans have grown somewhat *less* cynical about the utility of voting. Leftists are just as cynical as nonleftists and have grown much *less* cynical than those who profess no ideology.[11] In short, nearly two-thirds of all Latin Americans are optimistic about the power of individual participation in the institutions of liberal, representative democracy to bring about positive societal change. More than one-third of all Latin Americans remain pessimistic—a high proportion, to be sure, but lower than a decade ago.

Analysis of each country (not shown) reveals substantial cross-national differences in the evolution of responses to this question. The country-by-country patterns suggest that the depth of pessimism is driven by incumbent performance. Voter cynicism increased in countries such as Argentina, Ecuador, Panama, Paraguay, and Peru, all of which have all been rocked by deep political crises over the past decade. Elsewhere, democratic cynicism—at least where the efficacy of the vote is considered—declined, in some cases quite substantially.

Overall, the patterns explored in this section are clear: popular attitudes toward democracy in Latin America do not help us define "the Left" or to differentiate leftists from nonleftists. The organized Left's historical skepticism toward the institutions of representative democracy is not reflected in contemporary Latin American citizens' political beliefs about the importance of individual participation in national electoral

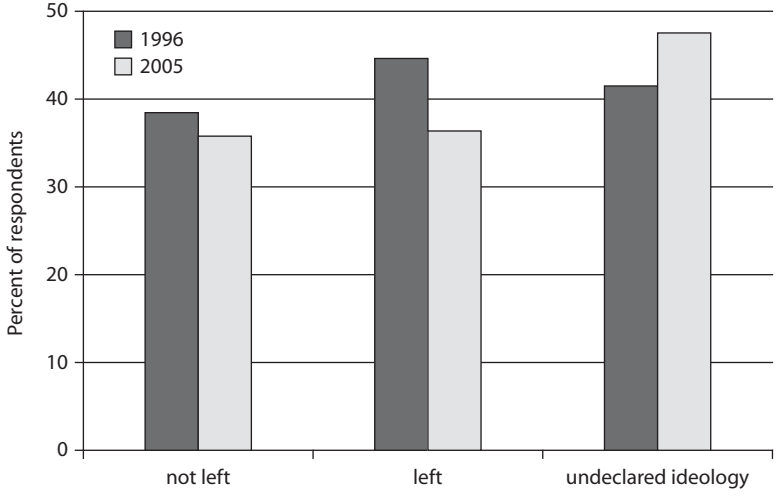


Fig. 1.4. Voting makes "no difference." *Source:* Latinobarómetro.

politics. Most importantly, at the mass level there remains a strong preference for democracy over autocracy.

Do Latin American Leftists Have a Different Worldview?

In the previous section we found little support for the notion that self-professed leftists in Latin America are any more or less unhappy with democratic performance or supportive of democracy as a form of government than nonleftists are. Disillusionment with democracy is widespread across Latin America, but the signs are not all negative, and the data certainly do not validate the concerns of democrats who fear Latin America's left turn. In this section we turn to the question of what self-professed leftists in Latin America believe. What is the content of leftist ideology across the region, and what ideas, if any, distinguish leftists from nonleftists?

Some scholars argue that Latin Americans are highly ideological (Colomer 2005), while others suggest that average citizens' understanding of ideology is very unstable and subject to fluctuations based on contextual valence issues and elite framing (Zechmeister 2006). Is leftist identification based on a coherent understanding of politics? If so, what are the conceptual bases of contemporary leftism in Latin America? Public opinion surveys offer the opportunity to explore these questions. However, the time-series question coverage in the LB restricts the breadth of our analysis to three questions: (1) the extent to which leftists and nonleftists differ in their *definition* of democracy; (2) their understanding of who holds the most power in society; and (3) their impression of the United States.

Our analysis of the LB suggests the following: In contrast to Seligson's implications (2007), contemporary leftists in Latin America are not more "populist" than their nonleftist compatriots. Across the political spectrum, Latin Americans largely hew to a "liberal" definition of democracy. However, we do find that leftists differ from nonleftists in their opinions of the United States. Leftists see the United States more negatively, suggesting that a diffuse sense of nationalism is a key component of contemporary leftist appeals. This finding resonates with the dynamics of current events around the region, as U.S. relations with several countries have been sorely tested in different ways over the past decade.

The Meaning of Democracy

In 2001 and 2005, the Latinobarómetro asked respondents, "To you, what does 'democracy' mean?"[12] This question was open-ended, and respondents' answers were classified into more than 20 categories. We sought to discover whether self-professed leftists conceive of democracy differently from nonleftists. In particular, we wanted to

explore the hypothesis that leftism is associated with a populist, rather than a liberal, vision of democracy. To do so we compared the proportion of "civil and individual liberties" responses against the summed proportion of the following answers: "government of, for, and by the people," and "social and economic development."[13] We recognize that these are very rough measures of both "liberalism" and "populism," but our analysis of this question is limited by the classifications provided by the Latinobarómetro.[14]

Table 1.3 compares "liberal" and "populist" responses to this question about the meaning of democracy in 2005 across Latin America. We can make several observations regarding these two figures. First, with the notable exception of Mexico, *the overall proportion of Latin Americans who define democracy in "populist" terms is quite low* compared to those who define it in terms of more liberal ideals of individual rights and civil liberties. Note that Venezuelans are the "most liberal" of all Latin Americans—and leftist Venezuelans are actually more "liberal" than nonleftists.[15]

Second, the predominance of the liberal over the populist conception holds across the political spectrum, with few exceptions. Only in Mexico were self-professed leftists more likely to see democracy in "populist" rather than "liberal" terms. However, Mexican nonleftists answered in a similar fashion, and in both cases the differences were probably too small (3%) to matter. Overall, given that responses to these questions in each country were very similar in 2001 and 2005, we can conclude that (1) no

Table 1.3.
Visions of democracy, 2005 (percent)

	Liberal vision			Populist vision		
	Left	Not left	Undeclared	Left	Not left	Undeclared
Argentina	42	52	50	24	17	13
Bolivia	35	38	26	22	23	22
Brazil	25	31	13	9	13	9
Chile	49	42	28	21	22	17
Colombia	35	41	35	15	15	10
Costa Rica	41	56	36	5	7	5
Ecuador	40	41	23	9	9	6
El Salvador	36	34	18	20	12	11
Guatemala	35	39	29	4	11	9
Honduras	22	29	18	7	7	4
Mexico	29	28	26	31	31	32
Nicaragua	28	36	27	14	15	7
Panama	55	56	32	9	18	13
Paraguay	32	34	25	7	9	7
Peru	28	32	17	10	13	10
Uruguay	47	50	37	18	13	7
Venezuela	66	64	62	10	10	10

Source: Latinobarómetro.

trend in public opinion exists toward a more "populist" conception of democracy across Latin America; and (2) most Latin Americans either do not know what democracy means or tend to view democracy in classical liberal terms of individual rights and civil liberties. Very few emphasize the will of the majority or the connection between democracy and socioeconomic development.

Do Leftists Have a Worse Opinion of the United States?

One of the central concerns in the corridors of U.S. government about the left turn in Latin America is the perception of growing anti-Americanism around the region. Especially in the post-9/11 era, several Latin American leaders routinely thumb their noses at the United States. This sentiment is not new, and finding that leftists hold stronger anti-American views would hardly be surprising, given the U.S. government's historical preference for nonleftist governments in the region. Of course, nonleftists also have historical grievances against the United States. For example, while conservative leaders may have supported the Cold War anticommunist crusade of the United States, they also often resent perceived American encroachments on their sovereignty.

The assumption of greater anti-Americanism on the left has rarely been investigated systematically. Table 1.4 shows the conventional wisdom to be correct: leftists across the region were more likely than nonleftists to hold a bad or very bad opinion of the United States. In 2001 they were 9.7 percentage points more likely, while in 2005 the margin was 9.1. By 2007, the margin had grown to 14.7.[16]

While it is true that leftists are more likely to have a bad impression of the United States, it is important to note that anti-American feelings increased across the political spectrum in Latin America during the 2000s. Whether these changes are attributable to post-9/11 border and immigration policies, the widely unpopular war in Iraq, or other reasons is not clear, because the LB did not ask respondents about these issues.

This strong anti-Americanism—and the steady association of anti-Americanism

Table 1.4.
Attitudes toward the United States

	2001		2005		2007	
	Left	Not left	Left	Not left	Left	Not left
Bad / Very bad	24.3	14.6	37.0	27.9	39.5	24.8
Good / Very good	67.3	76.6	56.1	65.9	53.7	66.9
Don't know	8.4	8.8	7.0	6.1	5.1	7.0

Source: Latinobarómetro.

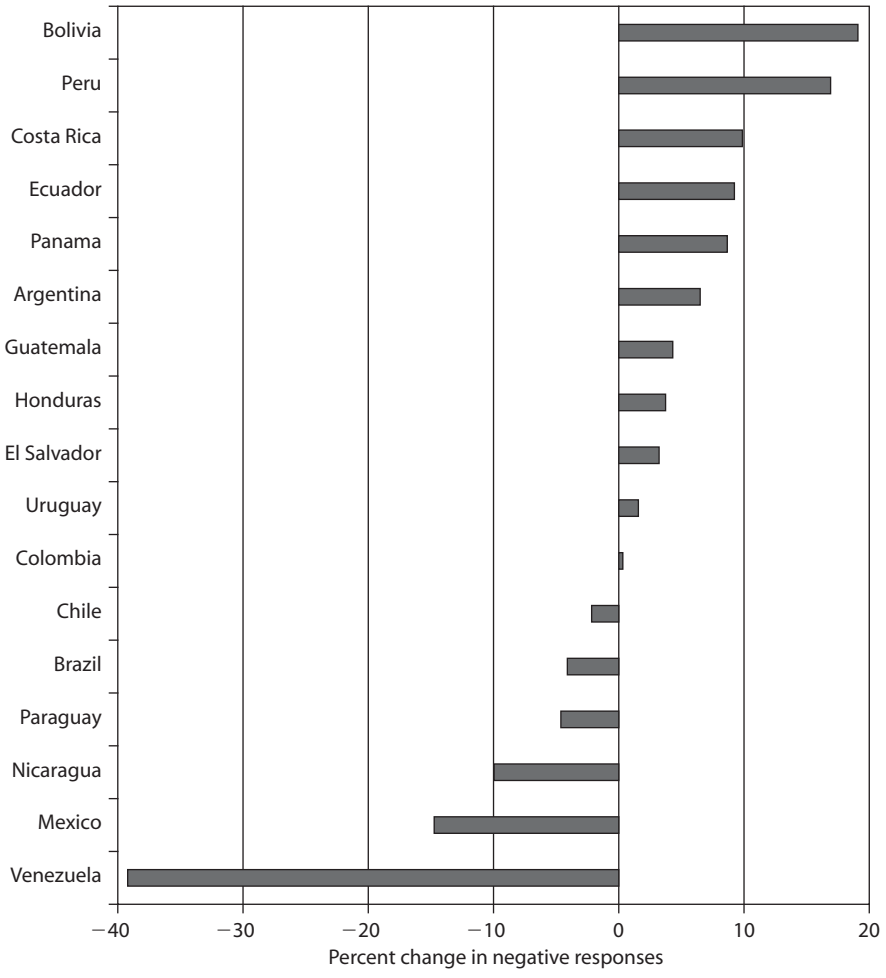


Fig. 1.5. Change in negative attitudes toward the United States, 2001 to 2007. *Source:* Latinobarómetro.

with leftism—might prove unsettling for U.S. policymakers because it occurred across almost the entire region (see fig. 1.5). Anti-Americanism increased in countries with sometimes-tense relationships with the United States, such as Bolivia and Ecuador, as well as in countries with less conflict-ridden relationships with the United States, such as Peru and Costa Rica, and regardless of the party of the incumbent president. What is most surprising is the sharp decline in negative attitudes in Venezuela, where 39.3% fewer citizens indicated antipathy toward the United States. Although this is due in large part to a return to 1996 levels after an anti–United States surge from 1996 to 2001, the evidence suggests that many Venezuelans are not buying Hugo Chávez's

rhetorical attacks. In fact, more than 78% of Venezuelans in 2007 expressed positive attitudes toward the United States, an increase from 63.8% in 1996, before Chávez became president.

Persistent anti-Americanism across the political spectrum might help leftist leaders consolidate their political positions. The United States has provided much fuel for the nationalist fire in Latin America over the years, and leftist leaders are adept at reminding the voting public in their nations of these perceived injustices. In short, given recent U.S. immigration, trade, and national security politics, and the relative U.S. indifference to Latin America during the Bush administration, Latin America's left turn may partly reflect and feed off of growing anti-Americanism. This question surely merits further empirical investigation.

Conclusion

At the start of the chapter, we asked, "What is the relationship between the 'left turn' and contemporary public opinion in Latin America?" The big picture tells the following story: Leftism is not "back from the dead" in post–Cold War Latin America. Ideological shifts at the elite level have not been mirrored by similar shifts at the mass level. Few Latin Americans self-consciously identify as leftists—indeed, citizens across the region remain slightly more conservative than people elsewhere. The fact that many citizens still do not grasp abstract concepts of "Left" and "Right" makes future identity change possible, if those ideological referents become clearer to more citizens. However, in terms of ideological self-identity, we see no evidence thus far of a long-term realignment to the left.

We also found remarkable stability in Latin Americans' attitudes toward the distribution of wealth. Given leftist leaders' proclaimed commitment to redistribution, we had good reason to expect some change in mass attitudes to accompany leftist parties' electoral victories. Yet attitudes have remained unchanged since the 1990s, indicating two possibilities. Either more citizens are satisfied with changes on the ground, or—more likely—the observed stability indicates the absence of attitudinal change.

Discussion of the left turn has also centered on support for democracy. Our analysis demonstrates that while Latin Americans remain deeply dissatisfied with democratic *performance,* they have not necessarily lost faith in the procedures of democracy as a *form of government.* Instead, the evidence suggests that Latin Americans lack confidence in their leaders' ability to address persistent social and economic problems. This dissatisfaction with democratic performance holds across the political spectrum. While Seligson (2007) suggested that self-professed leftists, as compared to nonleftists, see democracy as less legitimate and offer less support for democracy as the "best system" of government, our analysis suggests that Seligson exaggerates

slightly, perhaps because of the lack of time-series data in his surveys. We also found, in contrast to the implication of Seligson's findings, that Latin Americans across the political spectrum tend to view democracy in liberal rather than populist terms. In short, although this topic certainly merits further exploration, it appears that while Latin Americans are disappointed with democracy, they are not ready to abandon it—perhaps because they are Churchillians and believe that democracy is the "worst form of government, except for all the rest."

The fact that that the "left turn" in electoral politics is not reflected in mass ideological beliefs—at least to the extent that these beliefs are captured in public opinion surveys—raises interesting questions about the alignment (or lack thereof) between mass beliefs and mass political behavior. What is the basis of the vote for leftist leaders across the region, if not mass political beliefs? The lack of an obvious "leftward trend" of citizens' ideological beliefs begs the question of what *else* might have changed over the last two decades in Latin America to explain the region's "left turn."

The lack of clear dividing lines between leftists and nonleftists on a variety of conceptual questions suggests that rather than reflecting a durable partisan and ideological realignment in the post–Cold War era, Latin America's "left turn" really can be identified as the normal workings of representative democracy, the natural rotation of parties in and out of office reflecting retrospective performance-based voting criteria, rather than a more durable political realignment. Mass beliefs and mass behavior are not necessarily tightly linked. Mass behavior (voting for leftists) may shift not because voters believe leftist leaders advocate better policies, but perhaps because they simply represent an alternative to poorly performing incumbents.

This hypothesis suggests that Latin America's left turn may be more hype than substance. If the rise of the Left is primarily a function of retrospective voting, then the "pink tide" will ebb just as soon as the region's economies enter a period of stagnation. Moreover, if the "pink tide" is driven by economic performance, then it is unlikely to leave an enduring impression, and there is little likelihood that it will mark a sustained new policy orientation following in the wake of the neoliberal reform era. Finally, if incumbent performance is the driving force behind Latin America's "left turn," then there is no strong social basis for "leftism" except if narrowly and vaguely defined as a desire for growth with equity (Lora and Olivera 2005)—hardly the basis for a new "critical juncture" in Latin American politics.

In the end, our interpretation of these admittedly imperfect survey data partly follows Panizza's suggestion (2005b) that Latin America's left turn is something of a misnomer because much of the electoral volatility in recent Latin American elections is driven by retrospective economic voting. The single ideological exception to this seems to be anti-Americanism, which is on the rise across the political spectrum. Anti-Americanism may be the most important—or even the only—"leftist" element

linking elite campaign rhetoric to mass public opinion in contemporary Latin American politics. That is, in the contemporary era, leftist leaders are more likely than centrist or conservative leaders to exploit latent anti-Americanism.

This means that we confront a chicken-and-egg question: is anti-Americanism contributing to Latin America's left turn, or is Latin America's left turn contributing to the rise of anti-Americanism? We feel safe in stating that the answer is yes to both parts of the question, which is unfortunate from a social-science perspective but true to the reality on the ground. Latin America's left turn appears driven largely by reactions to economic performance and by negative perceptions of U.S. foreign policy—both of which may change in the near term. Further exploration of other survey results should consider the extent to which incumbent performance and anti-Americanism might be related to contemporary voting patterns and shifts in mass public opinion in Latin America.

NOTES

1. Seligson (2007) also asks whether self-identified leftism is coherent in terms of voting behavior; he finds that voters' self-placement lines up with conventional views of voters' placement of *candidates* on the left-right scale. Unfortunately, the Latinobarómetro does not permit similar analysis.

2. Panama's 38.9% in 1996 strikes us as a problematic statistical outlier; as a result, we should not make too much of the large over-time decrease of 24.6%.

3. Unfortunately, the Latinobarómetro did not allow us to investigate whether citizens thought inequality or the distribution of wealth became more important political issues. The poll does track what respondents consider to be the "most important national problem," but none of the response options were relevant to our analysis.

4. By comparison, 41% of Americans and 56% of Canadians supported government-led redistribution.

5. This is question p20 in 1996, p45st in 2001, and p18st in 2005.

6. A closer examination of the distribution reveals that dissatisfaction each year is driven by those at both extremes of the political spectrum. Extremists tend to be the most dissatisfied with democracy, while moderates find democratic performance slightly more satisfactory.

7. Questions 33i and 33j in 1996; questions 61stf and 61stg in 2001; and questions 45sta and 47stb in 2005.

8. The LB typically asks respondents about several other institutions or people as well.

9. Of course, most dictatorships in Latin America have tilted right, not left, and many of these enjoyed substantial popular support (at least initially). So there are also reasons to expect greater acceptance of authoritarianism among those who identify as nonleftists.

10. Because this question was not asked in 2001, we compare 1996 against 2005. These were questions p31 in 1996 and p50st in 2005.

11. What explains the 6% increase in negativity among the nonideological is a matter for future research.

12. P44nasa in 2001, P15sta in 2005.

13. Other answers included "equality and justice," "national independence," "peace," "bad governance," "personal security," and others that fit less comfortably into one of the two visions of democracy.

14. Future research on this question should probably rely on the Americas Barometer, which asks additional (and better) questions on this topic.

15. The proportion of "I don't know" answers was 25.8% in 2001 and 30.7% in 2005, indicating that a sizable proportion of Latin Americans remain ignorant of *any* of democracy's potentially multiple meanings—or at least that they fail to respond coherently to a survey question about what democracy means.

16. Respondents were asked their opinions about the United States in 1996 as well, but then they were given an additional choice: "neither bad nor good." This makes comparisons with the later surveys problematic. Still, analysis of the 1996 survey does show stronger anti-American sentiment on the left, consistent with the other years.

CHAPTER TWO

Economic Constraints and Presidential Agency

MARÍA VICTORIA MURILLO, VIRGINIA OLIVEROS, AND MILAN VAISHNAV

This book was triggered by what scholars, journalists, and electoral analysts labeled "a leftward shift" in Latin American politics during the first decade of the 21st century. The movement got its footing in Venezuela with the 1998 election of Lieutenant Colonel Hugo Chávez and gathered strength with the election of Brazilian union leader Luiz Inácio Lula da Silva in 2002, Peronist governor Néstor Kirchner in Argentina in 2003, and Tabaré Vázquez—a social democratic mayor—in Uruguay in 2004. The region's so-called leftward tilt reached full speed in 2005 with the election of *cocalero* Evo Morales in Bolivia, followed in 2006 by former finance minister Rafael Correa in Ecuador and former Sandinista guerrilla leader Daniel Ortega in Nicaragua. At decade's end, the region's leftist presidential ranks have been buoyed by the induction of a new class, which includes such diverse figures as journalist Mauricio Funes in El Salvador (2009), former bishop Fernando Lugo in Paraguay (2008) and ex-guerrilla José Mujica in Uruguay (2009), among others.

The diversity of this cast of characters demonstrates both the breadth and the heterogeneity of this leftward shift, which scholars have associated with a range of phenomena: disenchantment with neoliberal market reforms; antiglobalization fervor; endemic problems of corruption, inequality, and poverty; and the crisis of representation of Latin American political parties.[1] By contrast, in this chapter we provide an argument for the leftward shift that emphasizes the effect of incentives generated by economic realities and fiscal constraints. In so doing, we distinguish citizens' choice for left-wing leaders (voting for the Left) from the executive's economic policy choices (governing on the left). We believe that distinguishing between incentives of voting and of governing is important for both theoretical and empirical reasons. Theoretically, the literatures explaining mass behavior, such as voting, and that explaining elite behavior, such as policy choice, are different and focus on distinct

explanatory factors.[2] Empirically, Latin America is a region characterized—especially in the 1990s—by politicians elected on left-wing or populist campaign platforms who upon their inauguration adopted neoliberal policies, as shown by Stokes's work (2001) on policy switching.

We therefore understand the "left turn" in Latin America as a combination of two different but related phenomena: the vote for left-wing presidential candidates and the policy choices presidents make once in office. We have explained elsewhere the voting behavior of Latin American citizens by focusing on the share of votes obtained by all left-wing presidential candidates (rather than only the victors) during the 1978–2008 democratic era. In that work, we demonstrated that the electoral support for left-wing presidential candidates can be largely explained by retrospective voting against the lackluster performance of right-wing incumbents (Murillo, Oliveros, and Vaishnav 2010). This argument is consistent with Arnold and Samuels's findings in chapter 1, which demonstrate that the electoral success of leftist parties after 1998 has not been accompanied by a discernible leftward shift in terms of citizens' ideological self-placement.

In this chapter we focus, by contrast, on the supply-side dynamics of the leftward shift. That is, we code the ideological modus operandi of Latin American presidents and explain why they have increasingly governed on the left in recent years. We argue that the global commodity boom of the 2000s reduced the need for countries in the region to resort to external financing, which came with policy conditionality that constrained executives; presidents were thus free to pursue their preferred domestic policies on the leftward end of the ideological spectrum. In simple terms, presidents who had campaigned on left-of-center platforms were empowered to carry out these policies once in office, thanks to the reduced need for external credit, a corresponding weakening of associated policy constraints, and more generous fiscal space at home.

Indeed, left presidents' agency to pursue their desired policy preferences stands in sharp contrast to the financial constraints of the 1990s, when, regardless of electoral promises or prior ideological proclivities, most presidents implemented neoliberal policies upon election. It is important to state up front that our argument is a dynamic one, and we would fully expect that as economic conditions change in the future, the governing pendulum may well swing back in the opposite direction.

Our definition of the "Left" focuses on economic policies and follows Levitsky and Roberts's in the introduction to this volume: "The Left refers to political actors who seek, as a *central programmatic objective,* to reduce social and economic inequalities. . . . In the socioeconomic arena, left policies aim to combat inequalities rooted in market competition and concentrated property ownership, enhance opportunities for the poor, and provide social protection against market insecurities. Although the

contemporary Left does not necessarily oppose private property or market competition, it rejects the idea that unregulated market forces can be relied on to meet social needs."

To test our argument regarding the influence of fiscal resources on the executive's governing ideology, we assembled a unique dataset of political, electoral, and economic variables spanning 18 countries from 1978 to 2008, the most sustained democratic period the region has ever witnessed. One of the contributions of our work is the development of a measure that captures the ideology of the incumbent president as an indicator of how far to the left (or to the right) a given president actually *governs while in office.* Although we utilize the well-known coding scheme and dataset developed by Coppedge (1997) and its various extensions, we build and expand on these initiatives using new candidate codings verified by a panel of country experts to ensure that this coding reflects the realities of governing rather than of campaigning. Using this measure of governing ideology, we assess the impact of flush fiscal coffers resulting from the commodity boom and the corresponding decline in financial constraints on a president's agency to pursue left-wing policies. Multivariate regression analysis demonstrates that the absence of financial constraints due to commodity booms and reflected in current account surpluses are crucial in understanding the policy choices of presidents. This approach allows us to understand the right-wing turn of the region in the 1990s as well as the subsequent left-wing tide of the 2000s. In addition, our explanation concerning fiscal constraints provides some intuition for the fact that several presidents in the region had earlier been elected by promising policies different from the ones they eventually pursued in office (policy switching). Indeed, our explanation builds on a prior literature that explained the prevalence of neoliberal policies in the earlier decades by emphasizing the impact of external financial constraints (see, e.g., Remmer 1998; Stallings and Peres 2000; Teichman 2001; Weyland 2002; Murillo 2009).

To make our argument more concrete, consider the cases of Venezuela and Argentina, which provide interesting examples of the logic of our argument. In the early 1970s, Venezuela benefited from a hike in oil prices that more than doubled its terms of trade. When President Carlos Andrés Pérez from the social democratic Democratic Action (AD) was inaugurated in 1974, he adopted expansionary fiscal policies, increased social expenditures, nationalized oil and steel industries, and established new state-owned enterprises (Rodríguez 1988). Indeed, Pérez's populist legacy was a crucial factor motivating his subsequent election in 1988. However, after his inauguration Perez promised a "Great Turnaround" in a speech that unveiled an adjustment program including an end to price subsidies, the privatization of state-owned enterprises, and deep fiscal cuts (Murillo 2001). Thanks largely to a decline in oil prices, the Venezuelan terms of trade almost halved between 1981 and 1988, resulting in a

mounting fiscal deficit. In the face of a crippling economic crisis, Pérez was moved to sign a standby agreement with the International Monetary Fund (IMF) and adopt neoliberal policies favored by the international financial institutions (Weyland 2002). President Hugo Chávez was elected a decade after Pérez in the context of low oil prices. Despite running a radical electoral campaign against right-wing businessman Enrique Salas-Römer, Chávez's initial economic policies were relatively moderate. Instead of embarking on wide-scale nationalization of domestic industry, the new president implemented legislative reforms to initiate the privatization of key sectors of the economy (Buxton 2003). Yet after 2000, emboldened by the twin incentives of increasing oil prices and his survival of a military coup that required strengthening his coalition of support, Chávez radicalized his policies and moved sharply to the left.

The current and historical trajectory of the Peronist party in Argentina provides another example of how the ideological pendulum can swing in either direction based on economic conditions. Until the 1990s, the Peronist party enjoyed a long legacy as a populist party supporting state intervention in the economy for redistribution. In 1989 Peronist president Carlos Menem (1989–99) ran on such a populist platform but adopted neoliberal policies after his inauguration because of the financial constraints faced by his administration (Murillo 2001). However, the subsequently elected Peronist presidents Néstor (2003–7) and Cristina Kirchner (2007–present) switched paths and ran for the presidency based on their opposition to neoliberal reforms. And once in office, both presidents followed policies that have been classified as part of the regional "left turn" (see chapter 12) as they benefited from higher commodity prices—especially for soybeans (Richardson 2009).[3] While low commodity prices in the 1990s accompanied the shift of a populist presidential candidate to neoliberal policies, high commodity prices in the 2000s propelled the leftward shift of Néstor Kirchner, a former governor characterized in the 1990s by his fiscal prudency and support of Menem's neoliberal policies.

Although our example from Argentina reflects developments from the very recent past, there is a precedent for this recent Peronist swing from one side of the ideological spectrum to the other. After several years of carrying out impressive redistributive policies (first as secretary of labor and then as president), Juan Perón himself shifted to the right in response to a drop in commodity prices in the postwar period. Perón was elected to office in 1946 amid a wave of prosperity reflected in a current account surplus of US$268 million in the 1946–49 period—when the terms of trade grew by 50%—allowing for annual GDP growth of 8.48% (Gerchunoff and Antúnez 2002, 198–99). During this period, real wages increased by 40% and social expenditure, industrial subsidies, and credit for consumption grew dramatically. However, as the terms of trade started their rapid decline in subsequent years—and bad weather dam-

aged the country's agricultural production—the level of exports declined dramatically, producing a current account deficit of US$205 million (199). As a result, the government was forced to resort first to external financing and later to opening the country to foreign investment. Indeed, after his reelection in 1952, President Perón's first postelection speech announced an adjustment program including a freeze on salaries and public prices to control inflation and the loss of reserves. Reflecting on the shifts within Perón's presidency, Gerchunoff and Antúnez (2002) argue that the content of economic policy shifted in direct reaction to changes in fiscal constraints resulting from current account imbalances.

In the remainder of this chapter, we first outline our economic argument concerning the Latin American left turn and then provide details as to the operationalization of our key variables and basic controls as well as our modeling strategy. In the last two sections, we present the results of our model and review the key findings, before concluding with a discussion connecting our findings to related work (such as chapters 3 and 4 in this volume) and suggesting some implications for government accountability more generally.

Economic Constraints and Presidential Policies

We focus on the incentives and constraints of policymakers to govern on the left. Our point of departure is the comparative literature that analyzed the neoliberal wave of the 1990s, which emphasizes the impact of financial pressures on governing. In a context of declining commodity prices and high interest rates for highly indebted countries with fiscal shortages, presidents of different ideological traditions throughout the region were constrained to largely govern on the right (Stallings 1992; Stokes 2001; Johnson and Crisp 2003; Murillo 2009). For instance, emphasizing the regional impact of capital scarcity, Edwards (1995) looks at the effect of conditionality under the Baker and Brady plans for debt restructuring to explain the shift toward neoliberal policies. Turning this argument on its head, we should expect that as capital became more abundant and as domestic sources of revenue increased with the commodity boom of the 2000s, governments were less compelled to follow the laissez-faire policies preferred by international financial institutions and financial markets.

From a macroeconomic view, Latin America experienced a turning point around 2003, when the region experienced a growth upsurge thanks to a sharp increase in commodity prices. As Fishlow (2006) argues, this reversal of fortune has considerably loosened the economic constraints of the past that confined economic policymaking to the conservative end of the spectrum. Thanks to newfound growth and soaring commodity prices, the continent no longer had to rely on external financing to cover external trade deficits. As presidents threw off the shackles of the Washington

Consensus, they became free to govern on the left. Thus, our primary hypothesis is that *as the value of exports increases, providing domestic sources of hard currency, the freedom to support redistributive policies also increases. Therefore, the availability of domestic sources of currency will increase the likelihood that the president will govern on the left.*

Conversely, in the 1990s, when commodity prices were low and capital was scarce, the influence of international markets and multilateral credit institutions on highly indebted and fiscally strapped countries was seen as one of the primary drivers of the region's adoption of neoliberal policies (Stallings 1992; Stokes 2001; Johnson and Crisp 2003; Murillo 2009). Commodity booms reduce the impact of capital scarcity and provide alternative domestic sources of income that should mitigate the policy influence of international financial markets. The impact of these external financial constraints on the net effect of the export boom captured by the current account therefore needs to be considered.

Two variables are crucial in assessing the influence of external constraints: the impact of debt service payments and the need for funding from international financial institutions such as the World Bank and the International Monetary Fund. The adverse fiscal situation that most countries in Latin America experienced in the aftermath of the 1980s debt crisis has been used to explain the neoliberal wave of the 1990s (Edwards 1995; Teichman 2001). As a result, it is important to analyze how a country's debt service payments restrain the agency of executives from adopting left-wing policies. Indeed, the policy conditionality of the international financial institutions (IFIs) might serve as an important constraint on domestic behavior by explicitly imposing the policy preference of funding institutions. In fact, several authors have provided empirical evidence of a robust association between IMF conditionality and neoliberal policies around the world (Vreeland 2003; Henisz, Zelner, and Guillen 2005). Because the IFIs were the main source of credit following the Debt Crisis, they played a leading role in providing financing to Latin American countries while promoting economic reforms in the 1980s and 1990s that placed considerable constraints on the menu of economic policy options executives could choose from. Thus, the extent to which countries are engaged in borrowing from the IMF—where conditionality is imposed and externally evaluated—should have an impact on the executive's freedom to maneuver.

Finally, although the fiscal position of governments is the result of budgetary policies, the fiscal health of the country also affects the policy options available to executives in presidential systems. For instance, the widespread adoption of privatization in the 1990s has been associated with presidents' need to replenish their empty fiscal coffers (Castelar Pinheiro and Schneider 1994). We should therefore test for the impact of the budgetary position of the incumbent on his or her policy preferences, with the

expectation that fiscal deficits will constrain expansionary social and economic policies typically favored by left-wing presidents.

Thus, our expectation regarding the influence of financial constraints on governing economic ideology is that *the higher the country's debt service, the higher its fiscal deficit, and the higher its dependence on IMF lending, the more constrained executives will be when it comes to pursuing left-wing economic policies.*

The distribution of power across institutions of policymaking in a presidential system shapes the capacity of executives to pursue their preferred policies (Shugart and Haggard 2001) and therefore should be taken into consideration when one analyzes the incentives of presidents to adopt left-wing policies. The literature on veto points, in particular, emphasizes how a lack of alignment between executives and legislators can result in gridlock that prevents the president from adopting her or his preferred policies (Cox and McCubbins 2001; Tsebelis 2002). Thus, to assess presidential policies, we must control for the presence of a legislature controlled by right-wing parties that can oppose the executive's left-wing policy preferences. When a right-wing opposition legislature collides with a president with left-wing policies, the latter's redistributive agenda could either be stymied by legislative gridlock or seriously compromised in ways that water down redistributive priorities. Alternatively, the executive could anticipate the legislative opposition and refrain from even introducing redistributive policies for fear of embarrassing legislative defeat. Therefore, we expect that *if the primary opposition force in the legislature is associated with a right or center-right party (or parties), the likelihood of a president's governing on the left decreases.*

In addition to specific institutional effects derived from the working of democratic institutions, it is necessary to control for the impact of democratic consolidation—especially after the end of the Cold War. The longer the democratic experience of a country and the more accustomed its political elites are to alternation in power, the less afraid left-wing incumbents should be of the polarizing reactions often provoked by redistributive policies. By the same token, as countries gain experience with democracy, conservative forces in society should be less concerned that leftist political actors will take up arms or pursue extrademocratic practices. Beginning in the 1960s, leftist movements challenged the authority of the state and often took up arms against state authorities to protest conservative policies. Yet by the 1990s, the revolutionary Left had become a virtual nonentity in the region. Indeed, as Castañeda (1993, 2006) argues, the end of the Cold War and the demise of Communism removed the geopolitical stigma attached to leftist politics in the region. While traditionally Marxist left-wing political parties moderated their policies,[4] the conservative Right lifted its prior objections to democratic governance (Hagopian 1996). Hence, *as a country's experience with democracy grows, we expect declining concern that adopting left-wing*

policies will challenge democratic stability; as a result, presidents have more latitude to govern on the left.

Finally, it is necessary to control for the incentives generated by democratic alternation in power, since new rulers have incentives to differentiate themselves from previous incumbents. In explaining the rightward shift of populist parties with previous antimarket tendencies during the 1990s, Burgess and Levitsky (2003) emphasize the role of policy differentiation from incumbents. For example, following the center-right administration of Belaúnde Terry (1980–85) in Peru, the populist American Popular Revolutionary Alliance (APRA) under Alan García (1985–90) had fewer incentives to attempt neoliberal policies than the populist Peronist party led by Carlos Menem (1989–99), who followed the failure of a heterodox macroeconomic strategy under Raúl Alfonsín (1983–89). Applying the same logic to explain the leftward shift of presidents would imply that a previous right-wing incumbent increases the chances that a ruling president will govern on the left. Thus, we expect that *presidents who assume office following right-wing incumbents are more likely to govern on the left.*

Our Empirical Strategy

To test the argument we have laid out thus far, we assembled a unique dataset of political and economic data from 18 Latin American countries for the period between 1978 and 2008. Each observation corresponds to one presidential term in year *j* and country *i*. We have a total of 106 observations across the 18 countries, ranging from two to nine per country (see table 2A.1 in the appendix).

Our dependent variable, Presidential Ideology, is calculated using a five-point scale, where 1 is the leftmost score and 5 is the rightmost score. These scores indicate whether, in terms of ideology, the president is left (1), center-left (2), center (3), center-right (4), or right-wing (5). Note that in this five-scale categorization, "center-left" and "left" are two different categories used to classify "left-wing" presidents. It is important to emphasize that this subjective coding captures the governing ideology of the president, *not* his or her campaign platform. In assembling the dataset, we have consulted several country experts to make sure that our coding of economic ideology squares with a subjective assessment of actual economic policies that presidents pursued while in office, rather than campaign promises or declared intentions.[5] The distinction is important because "policy switches" (Stokes 2001) are common in the region. In fact, Stokes counts 12 cases of policy switching in the 1982–95 period. According to our coding, verified by the expert judgment of regional specialists, our dataset contains 22 "switchers" between 1978 and 2008. Therefore, the use of a coding scheme that does not distinguish between campaigning and governing could result in

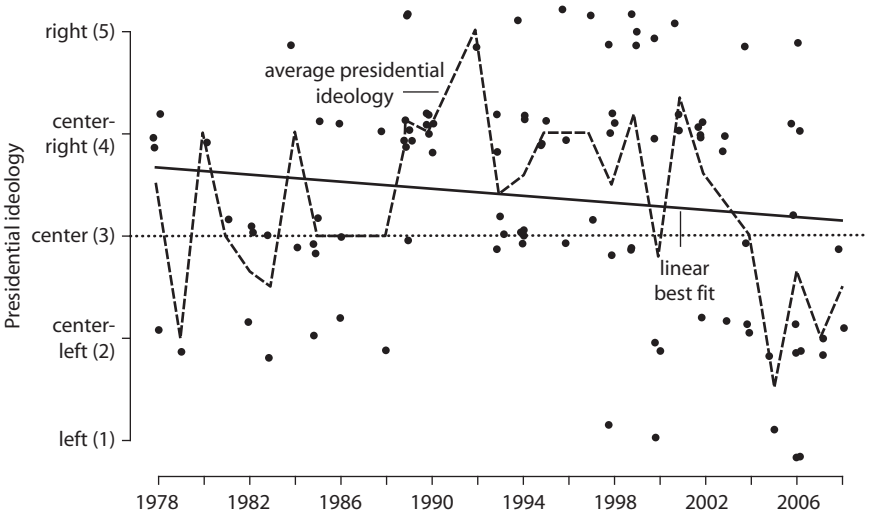


Fig. 2.1. Presidential Ideology, by election year, 1978–2008. The solid black line represents the linear best fit from the regression of Presidential Ideology on time; the dashed line corresponds to the trend in average Presidential Ideology in each election from 1978 to 2008; the horizontal dashed line provides a reference for center ideology. Data was jittered to make each observation more distinct.

biased estimates. Figure 2.1 indicates the presidential ideology of the Latin American presidents over the 1978–2008 period, using our five-point scale.

As seen in figure 2.1, the number of presidents who govern on the left (lower ideological score) increases between 1978 and 2008, confirming the popular view about the regional trend toward left-wing governments. In an aggregate sense, this figure also shows that at the beginning of the democratic period, presidents were more likely to govern from the center, whereas in the 1990s we observe a movement to the right (higher scores in presidential ideology) and in the early 2000s a shift to the left (lower scores in presidential ideology). This tendency tracks with the conventional narratives about the political trajectory of the region over this 30-year period, which holds that transitions to democracy ushered in moderate governments at the onset of the period when the ghost of returning military dictatorships was still present. Yet, this effect declined as democracy consolidated—particularly after the end of the Cold War.

In spite of these general trends, there is significant variation in the ideology of governing presidents throughout the entire study period (see table 2A.2 in the appendix for details on the frequency distribution of the dependent variable). We take advantage of both longitudinal and cross-country variation to explain the conditions behind presidential ideology in the next section.

In testing our explanation for Presidential Ideology based on the availability of domestic sources of capital, we use the variable Current Account, which measures the net effect of export income (after imports are discounted) as a proportion of GDP, and thus the availability of capital produced domestically in a given country.[6] To assess the effect of economic constraints on the executive's freedom to govern on the left, we measure the impact of debt service, fiscal deficits, and IMF conditionality using Debt Service (as a proportion of Gross National Income [GNI]), Fiscal Deficit (as a proportion of GDP), and Signed IMF Agreement, respectively. The latter takes a value of 1 for every year in which the country signs a new IMF agreement and it is averaged for the presidential term.[7] These variables test our main argument that a higher value of exports provides domestic resources that grant presidents the latitude to govern on the left, whereas external financial constraints reduce their agency.

To capture political constraints, we measure the effect of having a Right Opposition in the legislature—which should constrain presidential agency—with an indicator variable that takes the value 1 when the main opposition party in the legislature is center-right (4) or right (5), and 0 otherwise. To control for the incentives of presidents to differentiate themselves from their predecessors, we include a measure of the ideology of the prior incumbent (Incumbent Ideology), using the same five-point scale. To assess the positive effect of democratic consolidation on the latitude of presidents to adopt left-wing policies, we use a variable called Age of Democracy, which is constructed by summing the years since democratic rule was reestablished in each country.

Finally, we control for existing economic conditions with three variables. We include GDP Per Capita to control for the overall wealth of the country, and GDP Growth and Inflation (both lagged one year) are included to control for the effect of prior economic performance. Since the dependent variable takes on five ordered values (1 to 5), we use an ordered probit model for the estimation, with robust standard errors to control for clustering within countries.[8] Summary statistics for all of the variables are presented in table 2A.3 in the appendix.

Our Results

Table 2.1 presents the results of a series of multivariate ordered probit regressions where the outcome variable is Presidential Ideology (where 1 is Left and 5 is Right). The column "Model 1" reports the baseline model; under "Model 2" the economic constraints are added to the baseline model; "Model 3" incorporates the political variables; and "Model 4" includes both the economic and political variables.[9]

As the results of table 2.1 indicate, we find strong support for our main hypothesis regarding the effect of commodity prices on the ideology of Latin American

Table 2.1.
Explaining Presidential Ideology

Variable	Model 1	Model 2	Model 3	Model 4
Current Account	–0.055	–0.066	–0.085	–0.076
	[2.50]**	[2.77]***	[3.52]***	[2.43]**
Growth Lagged	–0.02	–0.019	–0.005	–0.001
	[1.06]	[0.96]	[0.19]	[0.04]
Inflation Lagged (ln)	–0.058	–0.029	0.017	0.009
	[0.81]	[0.44]	[0.21]	[0.12]
GDP Per Capita (ln)	–0.366	–0.203	0.007	0.027
	[1.05]	[0.50]	[0.02]	[0.06]
Debt Service		–0.088		–0.046
		[2.16]**		[0.91]
Fiscal Deficit		1.401		2.025
		[0.66]		[0.38]
Signed IMF Agreement		1.212		0.936
		[2.60]***		[2.22]**
Age of Democracy			–0.025	–0.021
			[2.22]**	[1.84]*
Incumbent Ideology			0.267	0.222
			[1.45]	[1.19]
Right Opposition			–0.69	–0.556
			[2.27]**	[1.71]*
Observations	101	92	89	84
Pseudo R-squared	0.05	0.078	0.134	0.127

Notes: Robust z statistics in brackets.
* significant at 10% ** significant at 5% *** significant at 1%

presidents. The effect of Current Account on the ideology of the president is negative (indicating a movement to the left) and significant across all models. That is, the effect of Current Account on governing ideology remains significant even when a variety of economic and political factors are controlled for. The negative and significant effect of Current Account indicates that as the current account balance improves, the probability of observing a left president increases. Figure 2.2 demonstrates the predicted probability of observing a left, center-left, center, center-right, or right president as the current account balance (as a percentage of GDP) moves from its minimum to its maximum value.[10]

While the probability of encountering a president who governs on the left (1 on our five-point ideological scale)—holding all independent variables at their means—is only 0.018, the effect changes substantially depending on the current account balance.[11] At its lowest level (when the current account deficit reaches 30% of GDP, as in Nicaragua circa 1990), the probability of a left-wing president declines to a miniscule 0.00002. At its highest level (when the current account surplus reaches almost 15% of

GDP, as in Venezuela in 2006), the probability grows to 0.221. We observe a similar effect for center-left presidents (2 on our scale). The probability of encountering a president who governs left of center, holding all independent variables at their means, is 0.181. The probability declines to 0.002 when the current account deficit is at its minimum value (Nicaragua in 1990) but grows to 0.467 when the current account surplus reaches that of Venezuela in 2006.

When we take into account the impact of external financial constraints, only IMF leverage appears to have a strong impact. Debt Service has an unexpected negative sign (although not consistently significant across models). That is, the higher the debt service (as a proportion of Gross National Income [GNI]), the more likely the president is to govern on the left. This suggests that perhaps policymaking reacts to the consequences of accumulated debt rather than being constrained by it. We do, however, find strong support for the hypothesis that when a country enters into more IMF agreements during a presidential term, the ruling president is more likely to govern on the right. The variable Signed IMF Agreement is positive and significant across our models, suggesting that when incumbents have to enact policies in line with IMF diktats, they are less likely to govern on the left. Conversely, as countries become less dependent on IMF financing, their executives can operate with greater flexibility and are more likely to govern on the left. When Signed IMF Agreement reaches its highest value, as in Peru in 2000, the probability of having a right or center-right president is 0.328 and 0.478, respectively. In contrast, the probability of having a left or center-

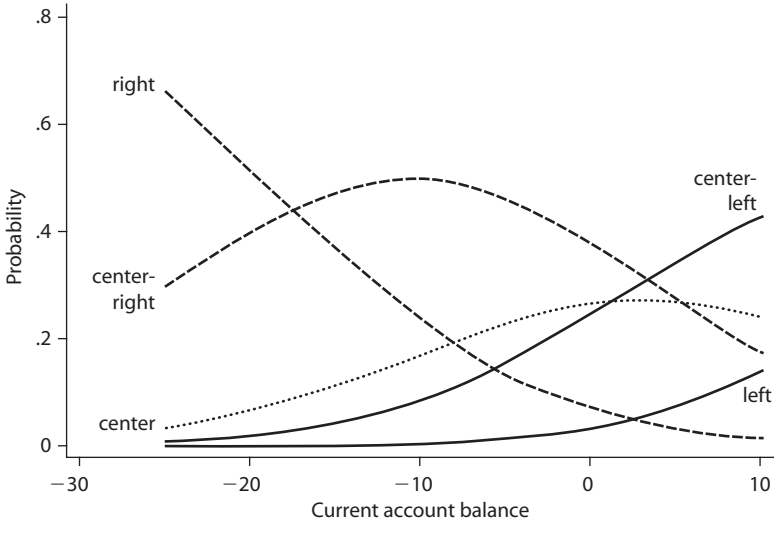


Fig. 2.2. Predicted probabilities of Presidential Ideology, by Current Account balance

left president under those conditions is only 0.002 and 0.056, respectively.[12] Whereas Debt Service does not seem to matter much for governing ideology, there is clearly an association between IMF leverage and right-of-center presidents.

The effect of Age of Democracy is significant and negative, suggesting that as a country has experienced more years of democracy, it is more likely that the president will adopt left-wing policies. This result suggests that as the fear of military coups declined in the region with democratic consolidation and the end of the Cold War, presidents became freer to adopt redistributive policies. Remarkably, the effect of Right Opposition in congress is significant and negative, suggesting that even in a democratic context, left-wing policies are associated with ideological polarization between the executive and the legislative branches. The rest of the variables are not significant, although Fiscal Deficit has the expected sign. Not even the effect of GDP Growth in the year prior to the election, which Corrales (2007) suggests is crucial in explaining the leftward trends of Latin American presidents, is significant in our statistical models.[13]

In conclusion, in line with our primary hypothesis, we find that the main factor explaining presidential ideology during Latin America's democratic period is the availability of capital free of external constraints. When capital scarcity is eased by the increasing availability of domestic sources of income, thanks in part to increasing commodity prices, the probability of observing presidents who execute policies on the left end of the ideological spectrum increases. And when low commodity prices result in capital scarcity and Latin American governments are compelled to engage in new lending programs with the international financial institutions, their policies move to the right. The effect of democratic consolidation on presidential ideology supports this conclusion, as presidents appear freer to adopt left-wing policies when they are not only enabled by economic realities but also less fearful of the impact of left policies on regime stability.

Final Discussion: The Leftovers

We end this chapter by offering some tentative suggestions about the debate on the motivations behind the leftward shift in Latin America. Our analysis demonstrates the importance of economic incentives and constraints for understanding presidential policy choices in Latin America. That is, financial constraints can strongly curb a president's preferred economic policy agenda, just as the availability of hard currency—either through foreign markets or export revenue—can as well, but in the opposite direction. We believe that external financial constraints (or their absence) not only help explain the region's turn toward neoliberalism in the 1990s (as others too have posited) but also shed light on today's prevailing economic ideologies. We

supply evidence for the proposition that the financial latitude made possible by the recent commodity boom is closely linked to the governing left-wing economic ideology of recent presidents.

Indeed, the trends we describe coincide neatly with the literature on policy switching. Stokes (2001) documents the switching of left-wing or populist candidates elected in the 1980s and 1990s toward neoliberal policies after their inauguration. By contrast, in the 2000s, the most dramatic switch the region has witnessed was that of Honduran president Manuel Zelaya. Zelaya, after being elected by the centrist Liberal Party, adopted left-wing policies and moved to align himself with Venezuelan president and leftist firebrand Hugo Chávez before being ousted by a military coup in 2009.

Our economic argument for when presidents can commit to "governing left" fits with a wider range of cases in the region and, in fact, echoes the findings of Weyland and Kaufman (chapters 3 and 4). Weyland argues that efforts by some Latin American presidents to radically rewrite the economic rules of the game have rested on "exceptional, temporary circumstances"—namely, the recent uptick in the value of international commodities. Following Fishlow's earlier intuition (2006), Weyland argues that the ability of Morales in Bolivia or Chávez in Venezuela to enact expansionary social and economic policies rests on a relatively thin foundation: windfall rents that can temporarily extend "the bounds of political agency" but are unlikely to persist indefinitely. Yet a discussion of the current commodity boom need not be limited to hydrocarbons in Bolivia or Venezuela. Richardson (2009) compellingly argues how the Kirchner government in Argentina levied export taxes on soy products, which have enjoyed a long-term increase in value because of rising global demand, to finance redistributive policies favoring urban voters. But while the recent economic boom may be a necessary condition for pursuing redistributive left-wing policies, it certainly does not define the type of strategies that left-wing governments adopt. After all, both Weyland and Kaufman point out that left-wing presidents in Brazil and Chile pursue redistributive policies while defying the temptation inherent in the recent bonanza to engage in economic populism, preferring instead to err on the side of fiscal prudence. Richardson, too, contrasts Brazil with Argentina, as Lula has eschewed the opportunity to exploit high commodity prices and engage in export-oriented populism while advancing the cause of redistribution through different means. The Workers' Party (PT) in Brazil has committed to an austere fiscal policy, but Lula's administration has experienced significant success with its conditional cash transfer scheme Bolsa Família (see chapter 13). Similarly, Pribble and Huber (chapter 5) document the role of left governance in Chile and Uruguay in balancing fiscal responsibility with redistribution and social-sector reforms. Therefore, commodity booms must be seen as permissive conditions; the exact nature of redistribution favored by left-wing presidents will differ.

We have shown elsewhere that Latin American citizens are retrospective voters who care about their economic well-being (Murillo, Oliveros, and Vaishnav 2010). Yet, recent evidence indicates that voters' expectations are actually contingent on the partisanship of incumbents. In a study of 83 democracies between the 1950s and the 1980s, Barreiro (2008) shows that voters reward government spending while punishing hyperinflation. However, she finds that the effect of spending is positive and significant *only* when incumbents are left-wing: voters expect left parties to increase government spending when they are in power, and they punish the parties if they fail to do so. But voters' expectations revolve not only around policy content; voters also seem to value policy consistency. For instance, Sanchez-Cuenca (2008) finds that voters rely on both government policy consistency and government's capacity to execute its promised policies when making their assessments of accountability. His argument is consistent with Stokes's view (2001) that Latin American voters have higher standards for "switcher" presidents who campaign on a populist platform and then implement neoliberal policies once in office. In Stokes's study, only sizable economic gains made voters excuse a candidate's about-face. It is therefore not surprising that, given financial capacity to redistribute, left-wing governments take advantage of trade surpluses to do so—albeit through a diverse array of policies. After all, this allows them to pursue policies voters expect of them, maintain ideological consistency, and increase their (or their party's) chances of reelection. The key, of course, is having both a loosening of fiscal constraints and the resources necessary to exploit the opportunity.

Precisely because governing on the left is conditional on the economic facts on the ground, we conclude with the observation that the leftist winds that prevailed in the region for much of the 2000s may falter with changes in external conditions—if these were to occur. That is, judging by current developments in western Europe, where fiscal constraints are forcing left-wing governments in Spain and Greece toward austerity measures, our argument has implications not only for future regional policymaking but also for political and economic dynamics globally.

APPENDIX

Table 2A.1.
Number of observations, by country

Country name	Number of observations	Country name	Number of observations
Argentina	6	Guatemala	6
Bolivia	6	Honduras	7
Brazil	6	Mexico	2
Chile	4	Nicaragua	4
Colombia	8	Panama	4
Costa Rica	8	Paraguay	5
Dominican Republic	9	Peru	7
Ecuador	8	Uruguay	5
El Salvador	4	Venezuela	7
		Total	106

Table 2A.2.
Frequency distribution of presidential ideologies

Presidential Ideology	Freq.	%	Cum. %
Left	5	4.72	4.72
Center-left	20	18.87	23.58
Center	25	23.58	47.17
Center-right	41	38.68	85.85
Right	15	14.15	100.00
Total	106	100.00	

Table 2A.3.
Descriptive statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
Presidential Ideology	106	3.387	1.092	1	5
Current Account	106	–3.387	5.902	–30.234	14.342
Growth Lagged	106	3.198	4.327	–13.380	12.822
Inflation Lagged (ln)	106	2.676	1.629	–1.024	8.470
GDP Per Capita (ln)	101	8.627	0.459	7.533	9.475
Debt Service	106	6.136	3.002	0.289	13.247
Fiscal Deficit	97	–0.020	0.048	–0.412	0.081
Signed IMF	104	0.220	0.217	0	1
Age of Democracy	106	17.094	13.512	0	57
Incumbent Ideology	90	3.578	0.948	1	5
Right Opposition	105	0.476	0.502	0	1

Variable Definitions and Sources

Dependent Variable

Presidential Ideology: We code ideology based on the actual economic policies a president implemented in office, as opposed to the platform she or he campaigned on. In line with the definition of *Left* we are using in this chapter ("political actors who seek, as a *central programmatic objective,* to reduce social and economic inequalities"), the main criterion for coding presidential ideology was the economic policies implemented during the presidential term. To code ideology, we rate each president on a five-point scale, where 1 is Left and 5 is Right. The scores are modified from Coppedge 1997 and its various extensions, including Huber, Mustillo, and Stephens 2008; Murillo and Martínez-Gallardo 2007; Wiesehomeier and Benoit 2009; and consultations with country experts. We consulted the following country experts: Argentina: Ernesto Calvo and Victoria Murillo; Bolivia: Raúl Madrid; Brazil: David Samuels; Chile: David Altman and Juan Pablo Luna; Colombia: Ana María Bejarano, Steven Taylor, and José Antonio Ocampo; Costa Rica: Ronald Alfaro-Redondo, Kirk Bowman, and Kevin Casas-Zamora; Dominican Republic: Jonathan Hartlyn and Andrew Schrank; Ecuador: Carolina Curvale, Flavia Freidenberg, Andrés Mejía Acosta, and Jorge León Trujillo; El Salvador: Ronald Alfaro-Redondo; Guatemala: Ronald Alfaro-Redondo; Honduras: Daniel Altschuler, José René Argueta, and Ronald Alfaro-Redondo; Mexico: Cecilia Martínez-Gallardo and Guillermo Rosas; Nicaragua: Ronald Alfaro-Redondo; Panama: Ronald Alfaro-Redondo and Orlando Pérez; Paraguay: Diego Abente Brun; Peru: Julio Carrión, Cynthia McClintock, and Steven Levitsky; Uruguay: David Altman and Juan Pablo Luna; Venezuela: Brian Crisp and Margarita López Maya.

Independent Variables

Age of Democracy: Number of years since return to democracy. The year of the first democratic election was considered year 1. From Freedom House 2009b; Polity IV Project (Marshall and Jaggers 2010).

Current Account: Current account balance as a percentage of GDP. From World Bank 2010b.

Debt Service: Total debt service as a percentage of GNI. From World Bank 2010b.

Fiscal Deficit: Central government deficit as a percentage of GDP. From IMF 2010a.

GDP Per Capita (ln): Natural log of Gross Domestic Product per capita, PPP (constant 2005 international dollars). From World Bank 2010b.

Growth Lagged: Growth rate of Gross Domestic Product (annual percentage) lagged one year. From World Bank 2010b.

Incumbent Ideology: Ideology of the incumbent president at the time of the presidential election. See "Presidential Ideology" for details on coding.

Inflation Lagged (ln): Natural log of inflation lagged one year. From World Bank 2010b.

Right Opposition: Indicator variable that takes the value 1 when the main opposition party in the legislature is 4 (center-right) or 5 (right), and 0 otherwise.

Signed IMF Agreement: Average number of years in a given presidential term in which the country has signed a new IMF arrangement (SBA, EFF, SAF, ESAF/PRGF).[14] For example, if a presidential term was five years and the government signed new IMF agreements in two of those five years, this variable would take a value of .4 (2/5). Data from Vreeland 2007. Authors updated the data for the 2004–8 period, using data from www.imf.org.

NOTES

We want to thank Martin Ardanaz, Ernesto Calvo, Guillermo Calvo, Lucas González, Mark Jones, Robert Kaufman, Rudy Lee-Kung, Cecilia Martínez-Gallardo, Marcelo Nazareno, Grigore Pop-Eleches, David Samuels, Carlos Scartassini, Andrew Schrank, María Laura Tagina, Ines Valdez, Peter Van der Windt, and conference participants at Harvard for their help and suggestions. In particular, Javier Corrales, Evelyne Huber, Steve Levitsky, and Ken Roberts provided us with detailed comments on an earlier version of this chapter. We would also like to thank Gretchen Helmke, Grigore Pop-Eleches, Susan Stokes, and James Vreeland for generously sharing their data.

1. For arguments on economic inequality and poverty, see Castañeda and Navia 2007; Fishlow 2006; Debs and Helmke 2008. Others, such as Corrales (2007), Panizza (2005b), and Stokes (2009), argue that the Left's rise is a response to pressures linked to globalization or a manifestation of disenchantment with economic reforms. Finally, some scholars have pointed to domestic institutional crisis as the mechanism that has given rise to the leftists' success at the polls (see Mainwaring 2006; Roberts 2007b).

2. For instance, the literature on policy choice in presidential systems emphasizes the impact of institutional constraints (Cox and McCubbins 2001; Shugart and Haggard 2001), whereas the literature on voting behavior looks at contextual economic conditions affecting the income of voters (Lewis-Beck and Stegmaier 2000) and their evaluation of incumbent performance (Fiorina 1981).

3. Richardson (2009) argues that the Néstor Kirchner administration (2003–7) represents "export-oriented populism." This new form of populism combines export promotion with benefits for urban workers. What is new about this form of populism is that it is mainly based on soybeans, a product that is not consumed by the working class, allowing the government to promote and tax their export without affecting the purchasing power of Argentineans.

4. See Samuels 2004 on the moderation of the PT in Brazil; and see Roberts 1998 for arguments about left-wing movements in Peru and Chile.

5. See the appendix for more details on the coding.

6. Current account balance is the sum of net trade (exports minus imports) in goods, services, and income plus net current transfers (World Bank 2008).

7. For instance, assume a presidential term in country X is five years. If the country signs an IMF agreement in year three of a presidency, our variable would have a value of .2 (1/5). Our rationale for this operationalization is that countries typically have to show good faith up front for the IMF to enter into an agreement with it. Once the first tranche of an IMF loan has been delivered, however, the effects of policy conditionality tend to drop off.

8. The ordered probit model takes into account the ordinal nature of our dependent variable without treating the difference between categories as equivalent (e.g. the difference between left and center-left cannot be treated as equivalent to the difference between center and center-right, as OLS [ordinary least squares] implies).

9. There is a concern that there is measurement error in our dependent variable since it rests on subjective coding. As a robustness test, we ran all statistical models in this section on two alternate dependent variables. The first was the Simon Fraser Institute's "Economic Freedom of the World" measure. This is a composite index that uses 42 different measures

to rank countries around the world based on policies that encourage economic freedom. The component measures fall into five categories, such as the size of government, legal structure, and security of property rights. The second alternative measure is the Heritage Foundation's annual Index of Economic Freedom, which ranks 162 countries across 10 freedoms, such as trade freedom, business freedom, investment freedom, and property rights. Using both of these alternate measures, our results are broadly consistent with those reported here (although, in some cases, significance levels are lower). Results are available from the authors. The main shortcoming of both of these datasets is their limited data coverage. Prior to 2000, the Fraser index collected data only at five-year intervals. The Heritage Index, though published annually, dates back only to 1995. Because of the limited coverage of these datasets, we decided to use our own coding for the analysis.

10. The figure is drawn using coefficients taken from the regression results on the "Model 4" column of table 2.1.

11. Marginal effects were calculated using coefficients from the regression results in the "Model 4" column of table 2.1. The low probability of having a left president is produced by the small number of cases (5) of left presidents in our dataset.

12. Marginal effects were calculated using coefficients from the regression results in the "Model 4" column of table 2.1.

13. We acknowledge that growth, as compared to inflation, can have a much longer lag time with respect to its effects on voters. To account for this, we tried lagging growth one entire presidential period and reran our regressions. The results did not change, so we report our findings with the one-year lag, for simplicity's sake.

14. These arrangements include SBA (Stand-By Arrangement), EFF (Extended Fund Facility), SAF (Structural Adjustment Facility), and ESAF/PRGF (Enhanced Structural Adjustment Facility/Poverty Reduction and Growth Facility).

CHAPTER THREE

The Left

Destroyer or Savior of the Market Model?

KURT WEYLAND

Discontent with the market reforms of the 1980s and 1990s was crucial for sweeping left-wing governments into power during the past decade in a striking number of Latin American countries. Neoliberalism clearly failed to fulfill its promise of reigniting sustained growth and producing steady increases in employment. As high—and exaggerated—hopes for a turnaround in the region's economic fate were dashed, disaffection and malaise spread. While a majority of Latin Americans continue to regard the market as the best development scheme in principle, dissatisfaction with its actual performance reached up to 84% of the population in the early 2000s (Latinobarómetro 2005, 63). This disappointment has weakened the political forces that implemented and administered neoliberal reforms during the 1990s and has boosted the electoral fortunes of left-wing challengers (Lora and Olivera 2005). Therefore, from 1998 onward, critics who attacked neoliberalism with more or less stridency have managed to capture government power in countries ranging from Argentina in the south to Guatemala in the north.

What do leftist election victories mean for the political sustainability of the new market model, the economic project of the Right? Will left-leaning governments reverse the changes of the 1980s and 1990s and institute a viable alternative to neoliberalism—either a substantially improved version of the economic nationalism and state interventionism prevailing before the 1980s debt crisis or a coherent new model of "21st century socialism"? Or do the constraints of global capitalism preclude such drastic change, so that moderate efforts to reform and improve the market model, yet maintain its basic outlines, nowadays constitute a more realistic strategy for the Left? Can such limited modifications produce enough change to remedy the most important deficiencies of neoliberalism? If the moderate Left can significantly enhance the market's socioeconomic performance, it may end up bolstering its future political sustainability. Accordingly, as in Europe during the 20th century (and despite obvious

differences), the Latin American Left in the 21st century may save rather than destroy the market system.

My chapter addresses these important issues by comparing the socioeconomic development projects and policies of different "new left" governments. The assessment focuses on Venezuela, Bolivia, Brazil, and Chile. These cases capture the range of leftist experiments and experiences, which span from a more radical pole,[1] anchored by Bolivarian leader Hugo Chávez, to a more moderate pole exemplified by Chile's center-left Concertación and Luiz Inácio Lula da Silva in Brazil. Bolivia's Evo Morales seeks to be closer to Chávez, but a less-developed economic base and stronger, regionally concentrated opposition have hindered his transformatory project. By examining these two main types of projects, I compare the accomplishments, limitations, and future prospects of radicalism versus moderation and probe their repercussions for the political fate of the new market model.[2]

This study holds considerable substantive and theoretical relevance. Neoliberal reform is often seen as a watershed in Latin America's socioeconomic and political development. This "critical juncture" (Roberts, forthcoming) dismantled the protectionist, inward-looking strategy of industrialization that the region had followed for decades. Trade liberalization, privatization, and state shrinking affected the social structure, slimming down the working class and the middle class and further increasing the informal sector, where precarious employment prevails. These social changes helped reshape politics, undermining established parties and interest groups, especially unions, and allowing plebiscitarian, neopopulist leaders to rise (Roberts 1995; Weyland 1996).

If Latin America's new Left successfully reverses neoliberalism and pushes the pendulum back to state interventionism and protectionism, the critical-juncture argument needs revision. In that case, market reform would remain an episodic interlude and temporary deviation from the region's state-centered development path (cf. Véliz 1980). From this perspective, Bolivia's "Movement toward Socialism" (MAS), for example, is reviving the redistributive nationalism of the 1952 revolution, which the once-powerful Nationalist Revolutionary Movement (MNR) had promoted for decades but abandoned with its turn to market reform in 1985.

By contrast, if the more radical Left does *not* manage to chart a promising, sustainable alternative, market reform may indeed mark a profound inflection in Latin America's trajectory. The precise impact of this critical juncture then depends on the performance of the moderate Left. If its reform efforts, implemented inside the confines of the new development scheme, are significant enough to alleviate major sources of discontent, such as large-scale poverty, deep social inequality, and precarious employment, the moderate Left may politically stabilize the new development model.

If, however, domestic and international economic constraints tie down the moderate Left and forestall significant improvements, then discontent with neoliberalism will continue to fester and grow more intense. The moderate Left may face defection and protest as economic and social problems accumulate. In this scenario, the market model may persist for lack of viable alternatives but push Latin America toward deterioration, decay, and trouble. Given these widely divergent possibilities, the performance of the Left's different currents holds decisive importance for the region's future.

Underlying these different scenarios is the age-old issue of structural constraints versus political agency, which has assumed new urgency with economic globalization. As empirical studies suggest (Mosley 2003; Wibbels 2006), Third World countries face much tighter economic constraints than the developed world. How much room for maneuver remains? Can leftist movements challenge global capitalism, squeeze foreign investors, and nevertheless achieve economic and social development? Are multinational corporations and the International Monetary Fund (IMF) paper tigers that bold agency can successfully defy? Or is the sustainability of such challenges so low and the eventual price so high that the pragmatic strategy of recognizing basic constraints and seeking moderate, gradual change ends up being more promising? In that case, is there sufficient room for political agency to make a real difference (Bardhan, Bowles, and Wallerstein 2006)? Or is the margin of maneuver so narrow that only minor, cosmetic changes are feasible?

The following analysis suggests an intermediate answer to the structure/agency question: Present-day Latin America faces real constraints that governments defy only at their peril; but these constraints do leave room for significant, albeit gradual and prudent, reforms. Specifically, left governments are wise to maintain the basic outlines of the market model, namely concern for macroeconomic equilibria (such as budget balance and low inflation) and openness toward the global economy, especially in trade and investment. But to spread the benefits of this market model more broadly and thus bolster its political sustenance, they can and should move away from the dogmatic, extreme version of this market model embodied in neoliberalism, which accepts only minimal state action and hands over most economic tasks and even a good part of social protection to an unfettered market. In these terms, the moderate Left has left behind neoliberalism but stayed inside the market model, whereas the radical Left, especially in Venezuela, has not only abandoned neoliberalism but also infringed on fundamental market principles through price and exchange controls, skyrocketing public spending, and nationalizations and other threats to private property rights.

I argue that the bold efforts of the radical Left have rested on exceptional, temporary circumstances, namely the international commodity boom of 2003 to mid-2008.

The windfall rents provided by this bonanza have in the short run extended the bounds of political agency. But as is common, the very size of this sudden windfall has prompted a good deal of inefficient, imprudent, and irresponsible usage (Weyland 2009), keeping economic and social payoffs surprisingly limited and running up against limits of sustainability. In fact, "twenty-first century socialism" looks strikingly similar to the "populist" economic cycles of the 20th century (Dornbusch and Edwards 1991), as discussed by Kaufman in chapter 4. Because booms are sooner or later followed by busts, the extended room for agency probably remains temporary. Bonanzas have usually ended in painful crises, which hurt poorer sectors the most. Thus, radical-left efforts to defy the constraints of globalization by abandoning market principles do not look very promising.

Furthermore, nations that lack the exceptional mineral wealth of Venezuela, Ecuador, and Bolivia cannot emulate the radical strategy. Few Latin American countries obtain the amount of windfall rents that make temporary deviations from global economic constraints feasible. Therefore, even if 21st-century socialism were to work in Venezuela, most of the region could not emulate it. Departures from the market model will necessarily remain exceptional, not generalizable.

By contrast to the problematic performance and questionable sustainability of radicalism, the moderate Left has produced more solid accomplishments; gradual reforms that move away from neoliberalism but respect fundamental market principles have over the years yielded significant, sustainable socioeconomic benefits. Market-supporting and -correcting changes such as education reform, labor training, and antipoverty programs have contributed to record growth in Chile and diminishing inequality in Brazil and have lifted millions out of destitution. As the market has produced visible benefits and the Left has embraced it, the political support base of this development scheme has strengthened. The moderate Left has made reasonably good use of reform opportunities inside the constraints arising from globalization, especially in Chile. Its achievements have limited popular opposition to the market model, which therefore seems politically consolidated (Santiso 2006, chaps. 4–5).

Therefore, the variety of left-wing governments is more likely to bolster than to undermine the political viability of the market scheme. The limited accomplishments and precarious sustainability of the radical Left will discredit drastic departures and confirm the need to accept the basic outlines of the new development scheme. Defiance looks less promising than pragmatic accommodation to the constraints of globalization. The sustainable achievements of the moderate Left demonstrate that global capitalism does not preclude significant improvements in the lives of millions of people and progress toward some central leftist goals. The repeated electoral success of Chile's Concertación and Brazil's Lula demonstrates the political rewards of moderation and cements support for the market system. Therefore, the Latin American

Left may turn into the main savior rather than the destroyer of the new development scheme.

A Viable Alternative to the New Market Model?
Chávez's Radicalism: A New Version of Socialism?

The more radical sectors of the Latin American Left led by Hugo Chávez seek to replace the market model with a different development scheme, currently labeled "twenty-first century socialism." But as even sympathetic observers stress, this alternative suffers from "the lack of a clear conception" and a "rather vague definition."[3] Chávez has proclaimed a number of ambitious goals but has not specified the institutional mechanisms for attaining them. Twenty-first century socialism has remained nebulous.

Chávez's variegated initiatives do not form a coherent plan but comprise contradictory elements. After his second reelection in December 2006, he pushed ahead with the nationalization of telecommunications, energy distribution, and oil production in the Orinoco belt, as López Maya stresses in chapter 9. These measures embody the statist orientation of the old Left, which sought to replace private property with state ownership (Azzellini 2006, 307). Yet Chávez has also followed the participatory orientation of the new Left by promoting cooperatives with collective ownership and worker self-management. These cooperatives have not been self-sustaining, however, but rely heavily on state subsidies. Thus, bottom-up initiatives actually depend on top-down support (187–88). The politicization of decision making and the predominance of Chávez's personalistic leadership suggest that loyalty to his movement is a precondition for receiving this vital sustenance. As a result, how much autonomy do these self-managed firms really have? Where 21st-century socialism seeks to diverge from the unsuccessful state socialism of the 20th century, it seems plagued by "many internal contradictions" (Wilpert 2007, 69; see also Ellner 2008, 186–93).

Resurgent state interventionism itself suffers from an internal contradiction. While the president assigned the state additional responsibilities, he simultaneously weakened its institutional apparatus through ideological purges and politicized appointments. For instance, Chávez brought the previously well-run state petroleum firm Petróleos de Venezuela (PDVSA) under his control and used the 2002–3 strike to dismiss 18,000 qualified personnel (Scaglione 2008, 70–71, 86–87). This hemorrhage diminished technical expertise and institutional solidity. Other state agencies, such as the ministries of finance and planning and the Central Bank, have also lost many well-trained experts, who resented working under new political appointees with unimpressive credentials (author interviews in Caracas, 2000). Large numbers of well-educated Venezuelans have emigrated out of fear of Chávez's initiatives. This exodus

seriously depresses development prospects. In sum, Chávez's radicalism debilitates the state while augmenting its attributions—a problematic combination.

Similar tensions affect the social side of 21st-century socialism. From 2003 onward, the Chávez government introduced a welter of social programs ("missions") to combat problems such as illiteracy, malnutrition, joblessness, and ill health. Billions of dollars have been invested in these efforts, which have indeed alleviated pressing needs and improved many people's lives. Reports suggest that the literacy and health programs have quickly enhanced the "human capital" of large numbers of poor Venezuelans (Azzellini 2006, 131–55 and Weisbrot, Sandoval, and Rosnick 2006; Rodríguez 2008, 54–55, however, contests these claims). Thus, Chávez's radical leftism achieved some accomplishments.

But while these efforts to benefit the poor were ambitious and generously funded, it is unclear whether they can counterbalance the tremendous gains accruing to elites from the oil boom and the distortions created by the administration's economic policies. For instance, governmental exchange controls and measures to sterilize the influx of dollars have greatly enriched the financial sector. A new "Bolivarian bourgeoisie" has formed through connections to the state, flaunting its wealth in an orgy of conspicuous consumption. While Chávez preached socialism, remunerations for capital grew while wages' share in national income fell, suggesting a net *increase* in social inequality (Scaglione 2008, 77–81).

Moreover, the new social programs suffer from the same internal contradictions afflicting Chávez's economic policy. Resulting from presidential decrees rather than laws and lacking firm institutionalization, they do not create reliable entitlements and citizen rights (Wilpert 2007, 147–48; Mundó 2009). As fiscal resources diminished with the decline in oil prices, these programs proved vulnerable to cutbacks (Tejero 2009). They are top-down grants that depend on the leader's will and are widely used for patronage purposes. Chávez created the "missions" when his popularity was running low yet he faced insistent demands for a recall referendum. He openly admitted that the new social programs were meant to defeat this opposition challenge (Maingon 2006, 71n10). Through self-selection and the deliberate screening out of opposition supporters with the Lista Tascón, benefit provision has depended on political loyalty (Hsieh et al. 2008). Careful statistical analyses confirm the missions' systematic political usage (Hawkins and Rosas 2006; Penfold-Becerra 2007). Certainly, even politicized programs can help poor people materially. But ideological filtering creates top-down control and undermines the participatory features officially attributed to these social programs. Moreover, nontransparent patronage schemes commonly produce inefficiency, waste, and corruption, which have further grown in Venezuela. Thus, Chávez's missions seem closer to traditional clientelism than a novel, promising version of socialism.

Most importantly, the Achilles Heel of Chávez's development scheme is its dependence on a flood of oil revenues, which are decisive for funding the cooperatives and "missions" (Álvarez 2007). The president could take these initiatives only after international oil prices began to skyrocket in 2003. Large parts of the new social programs are not financed via the official state budget but by a discretionary, nontransparent "development fund" fed mostly by PDVSA's export revenues (Gould 2007). As a result, the state petroleum company has been so starved for resources that its own exploration and production have suffered. Because Chávez's push to increase state control over the remaining private petroleum ventures is likely to scare off foreign investment, 21st-century socialism runs the risk of strangling itself (Scaglione 2008, 86–87).

Moreover, the recent trajectory of public expenditures looks unsustainable. Fed by the petroleum bonanza, government spending increased by about 30% per year after 2004. This expansionary policy has pushed inflation to the highest level in contemporary Latin America, 25.1% in 2009. To stem price increases, the government has imposed price controls, especially on basic staples, and threatened "speculators" with punishment. Yet such expedients discourage production and produce scarcities, which have already become widespread; thus, they exacerbate problems in the medium run. The available evidence suggests that Chávez's Venezuela has advanced far into the boom-and-bust cycle that experts label as "economic populism" (Dornbusch and Edwards 1991).

Sooner or later, bonanzas are always followed by a crash. High petroleum prices stimulate additional production, prompt energy savings, or trigger recessions that depress demand—and prices fall eventually. Late 2008 indeed saw a dramatic drop in oil prices, which put strong pressure on Venezuela. While 2009 brought a partial recovery, the serious disequilibria arising from disrespect for market principles have forced Chávez to devalue the currency (Balza Guanipa 2010), a politically painful step that threatens to keep inflation around 25–30% per year. In 2010, the country indeed remained stuck in recession, whereas many other Latin American countries enjoyed a roaring recovery. Thus, Venezuela may be headed toward lean years, which—as the country's experiences in the 1980s and 1990s suggest—can last much longer than the temporary bonanza.

Chavista Venezuela has made no progress toward diversifying the economy away from oil. Efforts to boost nontraditional exports or diminish the demand for imports, for instance by stimulating domestic agriculture, have failed. The "Dutch disease," which typically affects rentier states in boom times, has taken its toll (Wilpert 2007, 69, 72, 102–3, 192): the economy has become even more concentrated on oil as other sectors have suffered from an onslaught of imports. In recent years, there has been a huge influx of consumer and luxury goods for the remaining sectors of the middle

and upper classes, especially the "Bolivarian bourgeoisie" feasting off of government-provided oil rents (Scaglione 2008, 63–87). Neither the state nor domestic business has succeeded in "sowing the oil" and developing alternative sectors, which could provide lasting material sustenance to 21st-century socialism.

In sum, Chávez's haphazard development scheme entails few innovations and many serious tensions. Its very vagueness and its precarious foundation, especially the dependence on a temporary oil boom, keep it from constituting a promising alternative to the market model.

A Revival of Oil Rentierism in Venezuela?

In many ways, Chávez's project looks less like an innovation for the future than a return to Venezuela's unpromising oil rentier model (Scaglione 2008, 63–66, 75). While Chávez uses more confrontational tactics and puts more radical pressure on domestic and foreign business, there are striking similarities with many policies undertaken by the predecessor he despises most, Carlos Andrés Pérez. Presiding over the 1970s oil boom, Pérez pursued economic nationalism, social redistribution, and an antihegemonic foreign policy ("Venezuela" 1974; Karl 1997, chaps. 6–7). It was Pérez who nationalized the Venezuelan oil industry in 1976. To invest windfall revenues for long-term development, he ambitiously built the aluminum and steel industry through state-owned enterprises. Moreover, he created or expanded social programs, such as school and university scholarships. On the international front, Pérez sought a leading role in the Third World movement that confronted industrialized countries with its fairly radical demand for a New International Economic Order, designed to revamp global capitalism and force a worldwide redistribution of resources (Mamalakis 1978). Pérez deliberately stepped on the United States' toes, spearheading a Latin American integration mechanism (Sistema Económico Latinoamericano [SELA]) that pointedly excluded the colossus of the North while including its archenemy, Castro's Cuba.

As the comparison with Pérez's petroleum-fueled initiatives suggests, many of Chávez's programs and policies resume a traditional pattern in Venezuelan politics. While the current president radicalized this pattern, especially after his December 2006 reelection, the long-term prospects of this ambitious course are doubtful, as Venezuela's experiences after the first Pérez presidency suggest. In fact, Pérez's industrialization program did more to diversify the economy and guarantee sustained development than Chávez's cooperatives and "missions." The failure of this precedent raises further doubts about the sustainability of 21st century-socialism.

Moreover, the dependence of Chávez's project on exceptional oil rents makes it extremely difficult for other countries to imitate. Governments that cannot benefit

from a huge windfall have difficulty escaping from the constraints of global capitalism. Since Chávez's bold agency depends on a structural precondition, it cannot be emulated at will. This effort to defy economic constraints is limited in its generalizability by economic endowments. Chávez has certainly not charted an alternative to neoliberalism and the market that could serve as a model for the region.

Bolivia's Halting March toward Gas Rentierism

This structural limitation has hindered the radical efforts of Chávez's closest disciple. Bolivia's Evo Morales has sought to follow Chávez's nationalism, statism, and redistributionism, calling in the military to "nationalize" foreign-owned gas installations.[4] But the underdevelopment of natural resource extraction as well as strong political opposition have slowed down his advance. Morales's approach rests on capturing the lion's share of the rents from Bolivia's huge natural gas deposits, which were discovered in the late 1990s (ironically, as a result of neoliberalism's investor-friendly policies). As a result of laws enacted under his predecessor, his own "nationalization" of May 2006, and the recent international bonanza, the president has benefited from enormous increases in revenue streams (PNUD 2007, 228–31, 269, 468–70). Thus, Bolivia is quickly turning into a rentier state—a traditional model sustained in earlier decades by mineral wealth (Laserna 2006; Weyland 2009).

Since taking office in January 2006, Morales has engaged in typical rentier behavior. He has created new spending programs, especially "universal" health insurance and a conditional school grant, and has made old-age protection more generous. Thus, he has incurred permanent expenditure commitments with temporary windfall rents—a frequent temptation in rentier states.

While Morales pushed Bolivia toward a gas rentier model, his acrimonious relationship with the United States endangered alternative sectors, such as the small-industry and artisan production concentrated in indigenous El Alto. Since these businesses need the huge U.S. market, their survival is threatened by the uncertainty surrounding the renewal of Bolivia's trade preferences. If Morales's rhetorical attacks on the United States lead Congress to exclude the country from these benefits, Bolivia will be confined even more to a rentier economy. As became obvious in earlier cycles of raw material booms and busts, this is not a promising development strategy.

Morales's approach also suffers from internal contradictions, which are even more pronounced than in Chávez's Venezuela. Whereas Venezuela has a functioning oil industry, Bolivia's underdeveloped gas sector requires enormous additional investment and technical expertise. But Morales's pressure on foreign investors, including Brazil's state-owned Petrobras, has caused serious slowdowns in investment. The president risks starving the goose before it can lay many golden eggs. The low insti-

tutionalization of the state, which chapter 10, by Madrid, highlights, creates further obstacles. For instance, the recreated public hydrocarbon company has experienced debilitating turnover at its helm. Given the state's inability to run the gas industry, Morales's attempt at nationalization effectively amounted to a mere increase in taxes and royalties (Mähler 2007).

The state's institutional weakness also hinders efforts to turn gas rents into broader socioeconomic improvements. Penetrated by a welter of patronage networks and fragmented by unsystematic cooperation with numerous foreign donors and NGOs, state agencies have low capacity for program formulation and execution (World Bank 2000; PNUD 2007). Aggravating the state's deficiencies, Morales imposed a salary cap on public officials, inducing many qualified cadres to quit (Lavaud 2007, 156–59). As in Chávez's Venezuela, the Bolivian state has grown weaker precisely as it tries to broaden its development role.

Furthermore, as discussed in chapter 10, Morales for years faced much stronger political resistance than Chávez has, because of Bolivia's regional segmentation. The opposition is concentrated in the eastern lowlands, especially economic powerhouse Santa Cruz and Tarija, which has the largest gas deposits. Strong civic movements took advantage of the decentralization of the 1990s to hinder the national government's radical initiatives. These regional movements sustained opposition parties that prevented Morales from dominating the legislature and winning a decisive majority in the Constituent Assembly. Therefore, the ambitious changes proposed by Morales's supporters were long delayed. While opposition mistakes and the ever more forceful push of MAS supporters eventually broke the stalemate and led to the formal approval of a progressive constitution, its implementation has so far taken a backseat to the government's effort at consolidating its political hegemony (Buitrago 2010).

In sum, Morales's development strategy looks even less promising than Chávez's. The incipient state of the gas industry, the underdevelopment of alternative sectors, the institutional weakness of the state, and the regionally entrenched opposition pose special obstacles. Latin America's radical Left has failed to design a novel, beneficial, and sustainable socioeconomic approach. Instead of moving toward a viable alternative to the market model and a novel version of socialism for the third millennium, it seems to regress to the rentier model of the second millennium, which uniformly produced disappointing results.

Moderate Leftism: Accomplishments and Limitations

The Strategy of the Moderate Left

By contrast to the limited success and precarious sustainability of challenges to the market model, moderate leftism has yielded more solid economic and social results,

while also safeguarding full democracy. The center-left Concertación in Chile and the presidents of center-left or leftist extraction governing Brazil since 1995 have accepted the basic outlines of the market model but softened its hard edges through gradual reforms that have moved away from neoliberalism. They have sought to correct market failures or compensate for their ill effects. For this purpose, they have increased public investment in infrastructure and human capital, trying to improve the education system and enhance labor training. They have also extended income support to poorer sectors. These social efforts have combined with a better-functioning market system, which has produced sustained growth, especially in Chile, to lower poverty and indigence significantly. Based on domestic productivity and international competitiveness rather than temporary windfall rents, these achievements have been more sustained and sustainable than recent gains in Venezuela.

The moderate Left's success has rested on avoiding the temptation of alleviating pressing social needs through an immediate boost of public spending and redistributive programs, which would threaten market equilibria. Learning from the rapid failure of such "economic populism" (Dornbusch and Edwards 1991) prompted prudence in both countries.[5] The political and institutional limitations imposed by the outgoing Pinochet dictatorship and its powerful civilian allies induced the Chilean Concertación to proceed with particular caution. The growth boom unleashed after 1985 also led the former opposition to shelve its criticism of the market model. To the relief of private business, which feared the socialists' return to government, both the renovated Left and the moderate Christian Democrats decided not to rock the boat and overturn what now looked like a winning development strategy. The stark contrast with the rest of Latin America, stuck in a "lost decade" triggered by the Debt Crisis, reinforced this option for prudence (Scully 1996; Weyland 1997).

Putting realism ahead of ambition, Brazil's Center-Left and Left adopted similar self-restraint and accepted the imperatives of globalization. The Party of Brazilian Social Democracy (PSDB) of President Fernando Henrique Cardoso (1995–2002) learned from the failure of the 1986 Cruzado Plan, when a temporary boom stimulated by expansionary socioeconomic measures quickly ended in a crash that hurt poorer sectors the most. The Real Plan of 1994 was therefore based on prior fiscal adjustment, and when the economy nevertheless started overheating, the government quickly put on the brakes. The Plan's economic success and lasting popularity induced the socialist Workers' Party (PT), the strongest opposition to Cardoso, to moderate its ideological radicalism and gradually back off from its demand to reverse Cardoso's market reforms (Hunter 2007). When PT leader Lula came to look like the probable winner of the 2002 presidential election, investors nevertheless panicked, driving the Brazilian economy close to a debt default. This pressure forced the victorious candidate to abandon any remaining radicalism and commit to the basic outlines

of the market model (Martínez and Santiso 2003). Thus, a combination of genuine rethinking and market influence induced Brazil's Left to embrace an economic development strategy similar to that of the Concertación.

This pragmatic position is predicated on two hopes. First, the moderate Left accepts the fundamental claim of the neoliberal Right that the market system is best suited for producing prosperity and that it allows for a broad sharing of the resulting economic and social benefits. But since, in the eyes of the Left, automatic "trickle-down" is insufficient, a good dose of state interventionism is required to make the private profit motive work for collective benefit and to distribute the fruits of growth equitably. Thus, as its second core tenet, the moderate Left diverges from the Right's insistence on neoliberalism and believes that to function properly, the market needs the steering hand of the state. This intervention must compensate for market failures, prepare broad sectors of the population for successful economic competition, and generously support those who, for a variety of reasons (old age, ill health, etc.), cannot succeed in the market. This nuanced position, which recognizes the market's strengths as well as its weaknesses, is the leitmotif of Latin America's moderate, post-neoliberal Left: it embraces the market but moves beyond neoliberalism.

Upgrading the Market System in Chile

The Concertación has had considerable success in improving the market system inherited from the dictatorship. It has actually deepened economic liberalization in some areas, for instance by lowering external tariffs further. It has also continued privatization, albeit at a slower pace. Moreover, it has pushed economic integration with the United States and other First World countries, while being more hesitant in joining its Southern Cone neighbors via the Common Market of the South (MERCOSUR). In this way, it has preferentially targeted large markets, although Chile exports to developed countries primarily natural-resource-based products while concentrating its manufactured exports on Latin America. Commercial goals have taken precedence over the effort to upgrade the country's export model by adding more value added. In sum, there has been a good deal of continuity in economic strategy.

At the same time, however, the Concertación has improved on neoliberalism in significant ways. The state has developed a broad system of export-promotion activities, facilitating transactions in international markets through a host of informational and diplomatic activities. During the 1990s, it invested more than US$150 million in these activities per year (Meneses and Fuentes 1998, 245). To enhance efficiency and competitiveness, it also boosted public investments in infrastructure; budget allocations doubled from 1990 to 1997 (242).

Going beyond market-supporting programs, the Concertación has also tightened

regulation in many economic and social spheres (including the privatized health system). Most importantly, the first democratic government introduced and quickly increased a levy on short-term capital inflows to privilege foreign direct investment while discouraging speculative capital movements that would have exposed Chile to the volatility and vulnerability afflicting other Latin American countries, such as Argentina. This equivalent to a Tobin tax constituted a significant intervention in financial transactions and diverged starkly from neoliberal laissez-faire. It shielded Chile from the Tequila effect caused by Mexico's peso crisis in 1995, which pushed Argentina to the brink of economic collapse. Yet it crumbled under the onslaught of the Asian and Russian financial crises in the late 1990s (Ffrench-Davis 2002, 193, 209, 223–24).

To foster economic development and enhance social equity, the Concertación also reformed Chile's system of labor training, introducing in 1991 a program to teach skills to disadvantaged youths. Over the course of the decade, more than 120,000 youngsters participated in courses, which, according to sophisticated statistical evaluations, achieved considerable success. The program raised participants' wages by 26–27% on average, increased their chances of finding employment by 23%, and augmented the likelihood of holding a formal-sector job by 19% (Aedo and Pizarro 2004, 18–21; see also Egaña 2003, 18–23; Fernández and Charlin 2006, 191–92).

Equity-Enhancing Efforts in Chile

In return for the Concertación's embrace of the market model, Chilean business and the less dogmatic sectors of the civilian Right were willing to make some policy concessions. The government of Patricio Aylwin (1990–94) therefore managed to enact a tax reform that raised state revenues by 2% of GDP, reduce the imbalance between employer and worker rights in Chile's labor laws, and expand social spending significantly. It initiated efforts to improve the quality of public education, especially in poorer areas, and these efforts were pushed further by its successors. Socialist president Ricardo Lagos (2000–2006) then enacted an ambitious reform of Chile's segmented health system (Urriola Urbina 2005, 71–74, 77; Dávila 2006; Boeninger 2007, 161–67). This Plan AUGE (Universal Access to Explicit Health Guarantees) requires both the public sector and the private health plans that cover the 25–30% of better-off Chileans to provide a gradually increasing package of crucial treatments. In this way, the government guaranteed a universal floor of basic care for every citizen, regardless of the health plan they choose. As chapter 5 emphasizes, Lagos thus enlisted the state to mandate a fundamental element of social citizenship—a typically leftist strategy that moved beyond neoliberalism.

President Michelle Bachelet redoubled this effort and extended it to a politically

more difficult and controversial area, namely Chile's privatized pension system. Although the pension-fund companies created under the Pinochet dictatorship constitute powerful lobbying groups, the Concertación passed a reform that creates an extensive floor of basic pensions and seeks to give affiliates the option to join a state-owned pension administrator ("Gobierno renuncia," 2008). The basic pension protects the many Chileans who cannot make the contributions to private pension accounts that are required for receiving sufficient social protection via the market (Gobierno de Chile 2006). As the Lagos government promoted the leftist principles of equity, solidarity, and dignity in the health system, the Bachelet administration did the same in social security, as Pribble and Huber emphasize in chapter 5. These gradual reforms change the balance of state and market and transform Chile's system of social protection.

The center-left governing coalition has also upgraded public social services through generous budget allocations and investments in physical and human capital. Since drastic cutbacks under the Pinochet regime had left many public schools and hospitals in lamentable conditions, the Concertación systematically boosted expenditures, achieving an increase of 274% in education and 247% in health care during the 1990s (Ffrench-Davis 2002, 189; Solimano and Pollack 2005, 59–60; similar commentary in Angell 2010; and in Foxley 2010). Education spending rose from 2.4% of GDP in 1990 to 4.4% in 2001 (Egaña 2003, 14). While this increase in resources did not immediately boost service quantity and quality, and while education and health personnel have been among the most discontented and restive sectors in contemporary Chile, over time the improvements in facilities, salaries, and working conditions did make a significant difference. Enrollments in preschools, middle schools, and especially institutions of higher education increased significantly from 1990 to 2006 (MIDEPLAN 2007a, 9, 11, 15, 17). And Chile's private health sector has lost affiliates at a striking rate. Whereas it covered 24.6% of the population in 1996, this figure shrank to a mere 16.3% by 2003 (Solimano and Pollack 2005, 65); in recent years, the public sector has won 10 times the number of affiliates of private health insurance companies (Olivares 2010). Thus, the Concertación's reforms have effectively reversed some of the neoliberal privatization in social services imposed by the dictatorship.

Accomplishments and Limitations of the Concertación's Moderate Approach

The prudent course of Chile's center-left coalition has had considerable success. The annual growth record of 4.2% per capita (1990–2005) is unrivaled in contemporary Latin America. Although the stark inequality in primary income distribution has not diminished, this increase in prosperity has benefited most of the population. In fact,

Chile's development has disproportionately increased formal-sector employment: contrary to the trends in many other countries in the region, where the precarious informal sector grew, Chile's formal sector expanded from 56.8% of the economically active population in 1990 to 62.7% in 2005 (Mainwaring, Scully, and Vargas Cullell 2010, 25). Wages have also risen considerably. The Concertación made a special effort to boost the minimum wage, which increased by a stunning 246% in real terms from 1988 to 2004 (Ffrench-Davis 2002, 189; Telias 2007, 8–9).

These economic improvements and heavy investments in social programs reduced poverty drastically, from 38.6% of the population in 1990 to 13.7% in 2006; indigence, which afflicted 13% in 1990, almost disappeared (MIDEPLAN 2007b, 3–4, 28–29). This progress rested on Chile's solid economy, not on temporary windfall rents. Yet economic growth was not alone decisive; social programs also made a crucial contribution, enhancing the human capital of poorer people and thus enabling them to take advantage of greater economic opportunities (Olavarría Gambi 2005, 15–18, 69, 79–81). Therefore, the reduction in poverty and indigence continued throughout the recession of the late 1990s and early 2000s.

These accomplishments resulted from the Concertación's development strategy. Of course, a precondition for designing and implementing such a successful plan was the longstanding effectiveness of Chile's state (Marcel 1999; Boeninger 2007; Angell 2010), which turned the country into a model of democratic governance (Mainwaring, Scully, and Vargas Cullell 2010). Chile's relatively strong and well-institutionalized state managed to perform the market-supporting and market-correcting tasks that the Center-Left assigned to it—by contrast to the difficulties afflicting the weak Venezuelan and Bolivian states in fulfilling the far more ambitious role required for "twenty-first-century socialism." Thus, the moderate Left has found a much better match between institutional capacities and policy responsibilities than its radical counterparts.

The Center-Left and Economic Development in Brazil

Brazil never adopted the dogmatic neoliberalism that the Pinochet dictatorship decreed in Chile. President Fernando Collor de Mello (1990–92) unsuccessfully tried to impose market reform (with some rather unorthodox features) yet elicited widespread resistance and fell to a corruption scandal. Learning from this political failure, former leftist Fernando Henrique Cardoso pushed for an overhaul of Brazil's protectionist, state-interventionist development model with much greater caution, first as informal prime minister under the inept president Itamar Franco (1993–94), then as president in his own right (1995–2002). He completed Collor's trade liberalization, lifted stifling state monopolies in the economy, and privatized important public enterprises (but

not the state oil company Petrobras). Yet since neoliberalism never attained strong support in Brazil, these market reforms did not seek to establish a free market economy (Castelar, Bonelli, and Schneider 2007). In fact, at the same time that Cardoso reduced state interventionism in some areas, Brazil's total tax burden grew from an already high 26% of GDP in the early 1990s to a striking 35.9% in 2004 (Oliveira and Nakatani 2007, 46), which is unusually heavy for a Latin American country. Thus, during the advance of market reform, the state actually captured an increasing share of national wealth!

Given the pragmatic, nonideological orientation of Brazilian market reform, the subsequent backlash of increasing state interventionism has been modest. President Cardoso himself created regulatory agencies to supervise recently privatized sectors, and the efforts of the Lula government to tighten these regulations have remained limited (Amaral, Kingstone, and Krieckhaus 2008, 150–57). Since privatization never extended to social programs such as pensions and health care, there has been little pressure for change. Both presidents Cardoso and Lula da Silva designed ambitious plans for public infrastructure investments, but institutional weaknesses and inefficiencies have slowed down their execution (see critical assessment in Filgueiras and Gonçalves 2007, 197–207). Whether the Lula government's recent broadening of its initially rather limited industrial policy initiatives (IEDI 2008; see also Diniz and Boschi 2007, 100–108) will make a real difference remains to be seen. Thus, since Brazil never embraced neoliberalism, the pendulum has not swung far in the opposite direction.

The Center-Left and Social Development in Brazil

Whereas President Cardoso enacted the "right-wing" project of market reform in economic policy, he sought to remain true to his leftist origins in social policy. The two leading members of his center-left PSDB, whom he appointed as ministers of education and health, Paulo Renato Souza (1995–2002) and José Serra (1998–2002), pursued progressive goals. They assigned priority to expanding effective coverage and improving service quality for the poor, reducing the mistargeting of resources on expensive tertiary education and hospital care that had traditionally characterized Brazil's regressive, elite-friendly "welfare state." In this way, they sought to address pressing social needs and produce greater marginal utility with scarce public resources. Equally important, they wanted to enable the destitute to emerge from the web of clientelistic ties with better-off patrons, a crucial mainstay of conservative parties and an obstacle to more autonomous interest representation, especially in the backward Northeast. Guaranteeing social benefits as a matter of citizen right rather than favor

and using objective criteria rather than political negotiations to allocate funding, these social programs had the political purpose of weakening the vertical bonds that tied poorer people to brokers of higher status and power. In addition to their substantive purpose, these programs thus had a democratizing intention.

Although these novel schemes consumed only a low share of public spending, they seem to have produced significant beneficial effects. Thousands of new public health teams that brought preventive services and basic curative care to almost 55 million poor people by 2002 and 90 million by 2007, especially in the desperate countryside, contributed to a reduction in infant and maternal mortality (MS, DAB 2007; McGuire 2010). Similarly, the conditional cash transfer grants initiated under President Cardoso and extended under his leftist successor Lula (2003–present) helped to lower poverty and diminish Brazil's stark social inequality, as careful statistical analyses suggest (Ferreira, Leite, and Litchfield 2006, 3, 19, 22–25; Hoffmann 2006; Ferreira, Leite, and Ravallion 2007, 17, 21–24).

Thus, the novel programs started by the "social-democratic" PSDB and continued under the "socialist" PT clearly improved policy outcomes and helped poorer sectors in particular. Since these gradual gains are financed out of regular budget resources, not a temporary revenue windfall allocated in nontransparent ways, they seem much more sustainable than Chávez's "missions." Moreover, while the major cash transfer program appears to have produced a good deal of popular support for Lula in the 2006 presidential elections, as Hunter emphasizes in chapter 13, there is no evidence of its systematic, government-directed misuse for clientelistic purposes. Benefit receipt had political effects but not causes; spending was not targeted politically. There is little indication that benefits were channeled primarily to government supporters and withheld from opponents, as is the case in Chávez's Venezuela.

Interestingly, the Cardoso and Lula administrations achieved these social policy accomplishments with modest shifts in public expenditures. Under Cardoso, for instance, the share of primary care in Health Ministry spending increased only from 10.5% to 17.3% (Serra and Faria 2004, 175). Similarly, Lula's much-discussed conditional family grant (Bolsa Família) has claimed a mere 0.5% of GDP. Given the large volume of public spending in Brazil, where the overall tax burden hovers around a striking 35–38% of GDP, there is a good deal of room for more improvements in the future. Further progress requires taking away public resources from better-off sectors; Cardoso's and Lula's cautious, negotiated approach has made only limited headway in this respect. One of the largest stumbling blocks is the pension system for civil servants and public employees at different levels of government, which is unusually generous and consumes approximately 4–5% of GDP. After tenaciously obstructing Cardoso's efforts to clip some privileges, Lula turned around in 2003 and made some

advances, but they remained limited. Thus, while moderate leftism has managed to attain sustainable improvements in Brazil, there are opportunities for additional efforts.

Political Payoffs of Moderate Leftism

This discussion has established the first claim made in the beginning, namely that the moderate Left has attained more solid and sustainable economic and social accomplishments than its radical counterparts. What remains to be assessed is the second claim, namely that these achievements have the political effect of solidifying support for the new market model. Since this claim concerns the moderate Left only, attention will focus on the Concertación and the Lula government.

The available evidence suggests indeed that the economic and social successes of the Center-Left in Chile and Brazil have bolstered the political sustainability of the market model and helped to forestall the kind of backlash that has affected Venezuela and Bolivia. The threat of a departure from the new development scheme was especially high in Chile, where its brutal imposition by the dictatorial Pinochet regime weakened its legitimacy. The economic collapse of 1982–83, when the economy shrank by 15% and unemployment skyrocketed to more than 30% of the economically active population, exacerbated discontent. While the lasting growth boom that started in 1985 began to reduce this popular rejection, Chile at the time of the democratic transition in 1990 was still "a nation of enemies" (Constable and Valenzuela 1991); in particular, the center-left spectrum had a clear aversion to neoliberalism.

The cautious decision of the incoming center-left government to accept the fundamental contours of the market system but introduce changes to spread its economic and social benefits was decisive for enhancing popular acceptance of the new development scheme. As unemployment fell, wages slowly rose, and ambitious social programs improved education, health care, and income support, discontent with the market economy was contained. While leaving many expectations frustrated and raising new hopes that were even more difficult to fulfill, the socioeconomic progress achieved by Chile's new democracy limited the accumulation of discontent; in fact, the unease and criticism expressed in opinion polls is concentrated more on the right than the left side of the spectrum, that is, among supporters rather than opponents of the market system (Angell 2010). Indeed, the moderate strategy of the Concertación was confirmed in the polls through a long series of electoral victories, making the center-left alliance the most successful coalition in Chile's modern history. When after 20 years in power and hobbled by the normal wear and tear of democratic politics, the center-left alliance narrowly lost the presidency in early 2010, the victorious candidate was a moderate center-rightist who felt compelled to promise continuity with the

Concertación's economic and social policy approach (Rovira Kaltwasser 2010). Political forces that reject the market system, such as the once-powerful Communist Party, have remained marginalized and ineffective.

The systematic strengthening of Chile's system of social protection and the gradual re-creation of a universal floor through programs such as Plan AUGE and the recent pension reform address a critical weakness of the free market system, which left Chileans without safeguards and directly exposed to the vicissitudes of domestic and international competition. The slow reinstitution of bonds of solidarity has diminished one of the fundamental sources of discontent with the new economic model (Campero 1998, 406–17, 428–37; see in general, Polanyi 1944). This gradual, partial reversal of privatization has bolstered social citizenship and sought to recreate a sense of national community, which the dictatorship had undermined. By socially embedding the market, the Concertación has safeguarded it against political attacks.

In Brazil, market reform was enacted by a democratic government led by a prestigious president with leftist origins. Therefore, it did not suffer from the birth defect that threatened its legitimacy in Chile. In fact, President Cardoso deliberately combined "neoliberal" measures such as deregulation and privatization with "social-democratic" efforts such as education and health reform. The market system thus emerged with a "human face," rather than the sinister visage of dictator Pinochet. Certainly, the socialist Left, led by the still-radical PT, assailed market reform as an attack on popular welfare in a society of record social inequality. But the economic benefits that the defeat of hyperinflation brought especially to poorer sectors and the social improvements in education and health were important in limiting the population's receptivity to these criticisms. The PT therefore had difficulty getting traction in the middle to late 1990s and made only very slow advances in the electoral arena. Even after the devaluation crisis of January 1999 and the energy crisis of 2001, which depressed Cardoso's popularity, his friend and former health minister José Serra achieved a respectable second place in the 2002 presidential elections, despite his association with the incumbent government and his stand-offish, arrogant personality.

By 2002, however, the political payoffs of reduced inflation had faded, and the limited growth achieved in the late 1990s and early 2000s stimulated demands for a change from President Cardoso's economic policies; in June 2002, 52% of survey respondents stressed that they would "by no means" ("de jeito nenhum") vote for a standard bearer of continuity (CEPAC 2002, 9–10). The candidate who best embodied the hopes for a new departure, Lula, indeed won the 2002 contest (although he needed a second round to defeat ex-minister Serra). Yet as Lula had significantly softened his earlier radicalism and sought votes with innocent slogans such as "Lulinha, paz e amor" ("friend Lula, peace and love"), this vote result did not betray strong rejection of market economics as such, but a diffuse desire for change. As a

result, Lula's significant policy switch in accepting the market system, maintaining Cardoso's orthodox macroeconomic policies, and pursuing market-oriented reforms that he had condemned before and that his party had obstructed in Congress did not elicit strong popular rejection.

Instead, the economic recovery after 2003, the boost provided by the global economic boom, the fruits produced by Cardoso's social policy reforms, and the income support programs expanded by the Lula administration gave the new president an enviable level of support, as Wendy Hunter highlights in chapter 13. In particular, the conditional cash transfer payments benefiting approximately 45 million poor Brazilians, 25% of the population, demonstrated the social payoffs of Brazil's new economic scheme and the president's concern for the destitute. As statistical analyses show, this family grant played an important role in Lula's 2006 reelection. It immunized poor people against the clientelistic strategies of right-wing parties and limited the popular base of Lula's left-wing critics, assembled in the Partido Socialismo e Liberdade (P-SOL), which was composed of hard-core leftists and politicians expelled from the PT. Thus, although resting on a weaker economic and social base and dependent on one specific program, the overwhelming support for Lula, which enabled him to guarantee the election of his hand-picked successor Dilma Rousseff in the presidential contest of 2010, forestalled the spread of discontent with the market economy.

Moreover, the very option of the Chilean and Brazilian Lefts for the market system has had an important stabilizing impact. If political leaders who for decades have demonstrated consistent concern for popular causes come to embrace the new development model, many citizens will not suspect betrayal but will give these politicians the benefit of the doubt and accept their claims of genuine learning and rethinking. The charge that advocates of the market merely seek to advance their class interests, which may "stick" to right-wing politicians, is not credible if leveled against longstanding champions of the popular sectors. Instead, many citizens will believe or at least consider the arguments of the new converts, namely that a market economy may in fact be the best scheme for augmenting prosperity and generating the necessary resources for social benefits. As Richard Nixon's trip to China proved that Mao Zedong was not the devil incarnate, so the Left's embrace of the market suggests that this development scheme is not irremediably antipopular and "exclusionary." Thus, its a priori unlikelihood gives this new commitment credibility.

The option of strong left-wing forces for the market also isolates the radical Left that rejects this move. Both in Chile and Brazil, the sectors that continue to insist on a fundamental alternative to neoliberalism have maneuvered themselves into a political ghetto and confined their support base to a splinter of the electorate. In Chile, the once-mighty Communist Party nowadays has difficulty winning a significant vote

share. Lacking any viable alternative to the market system, it has turned into an ineffectual assemblage of nay-sayers. In Brazil, Lula's policy switch and the expulsion of a few die-hards from the now-pragmatic PT triggered the formation of a new party that upholds the PT's old radicalism. Yet although this Partido Socialismo e Liberdade won a respectable 6.85% of the vote in the 2006 presidential contest, it captured a mere three seats in the Chamber of Deputies. As a result, the new party lacks influence and significance. Given Lula's sky-high approval ratings, it faded into political marginality, like other defections from leftist mass parties. Indeed, the party won less than 1% of the vote in the presidential elections of 2010.

Conclusion

Conservative and neoliberal observers have feared the Left's advance in contemporary Latin America. In their eyes, spreading popular discontent with the new development model threatens a backlash. If the hard-won reforms of the 1990s were reversed in country after country, neoliberalism would turn into a mere episode in the region's history. Economic nationalism and social redistributionism may quickly rise from the ashes again. Some commentators have even raised the specter of Latin America's moving "back to revolution" (Lapper 2002). Ironically, the radical Left could not agree more, hoping for a frontal assault on neoliberalism. From the opposite end of the ideological spectrum, leftists concur with rightists' diagnosis, yet attach a very different value judgment: they pin great expectations on the perceived precariousness of Latin America's new development scheme.

The present examination of the performance and sustainability of contemporary leftist projects suggests a different conclusion. The more radical Left has failed to design and successfully pursue a viable alternative to "neoliberalism." Chávez's 21st-century socialism has remained unclear, plagued by internal contradictions, and dependent on temporary, exceptional windfall rents. Morales's similar strategy has confronted even stronger economic and political obstacles. Venezuela's and Bolivia's experiences suggest that radicalism lacks economic promise and is precarious in its fiscal sustainability.

By contrast, the moderate Left has achieved more sustainable economic and social accomplishments, as indicated by Chile's growth record and drastic diminution of poverty and by the beginning reduction of social inequality in Brazil. The Concertación and Lula also achieved repeated electoral success with their prudent course of maintaining the basic outlines of the market model while introducing significant economic and especially social reforms. As a result, political attacks on "neoliberalism" are nowadays confined to minority sectors and find only limited resonance. The

market system looks consolidated (Santiso 2006, chaps. 4–5). As a result, it was the Right—not the Left—that finally ended the Concertación's remarkable two-decades hold on presidential power.

Certainly, the external economic constraints tightened by advancing globalization have prevented Latin America's moderate Left from achieving the depth of reforms, generosity of social protection, and solidity of policy accomplishments that European social democracy attained during its golden age and maintained with surprising success during the recent era of retrenchment (Huber and Stephens 2001). But in political strategy and impact, there is some similarity between Europe in the early 20th century and Latin America in the 21st. In both situations, economic liberalism stimulated popular discontent and criticism, which—if unaddressed—would have raised the specter of a radical reversal. Yet powerful leftist forces that had previously led the opposition to the free market system opted for gradual change. They preserved the competitive core of capitalism but increased state intervention to spread the fruits of growth more broadly and promote social equity and income security. In these ways, the newly moderate Center-Left addressed problems and improved the socioeconomic performance of the new development scheme, and its move to moderation left remaining radicals isolated. Accordingly, the contemporary Latin American Left—like its European forefathers—has turned into the savior rather than the destroyer of capitalism.

NOTES

I thank Andrew Stein for innumerable important reports and documents; Raúl Madrid for great discussions on the Left in Latin America, especially Bolivia; and the participants in the Cornell and Harvard conferences, especially Steve Levitsky and Kenneth Roberts, as well as an anonymous reviewer, for outstanding comments on earlier versions.

1. While Chávez does not promote a full-scale assault on capitalism and is thus less radical than many 20th-century leftists, his reversals of market reforms and restoration of the state's developmental leadership are comparatively radical in the era of globalization.

2. While the two-dimensional typology of Levitsky and Roberts's introduction classifies "governing left parties," the simpler scheme adopted in this chapter and chapter 4 facilitates policy analysis. Governments' socioeconomic projects cluster into two groups, partly as a result of Venezuelan influence on other radical governments.

3. Wilpert 2007, 69, 237; similar comments on 7, 240. See also Ellner 2008, 14–15, 148, 165, 171. Parker (2006) does not succeed in demonstrating that Chávez's heterogeneous, fragmented, and haphazard initiatives add up to a feasible alternative to the market.

4. While Madrid correctly emphasizes in chapter 10 that Morales has not engaged in large-scale expropriations, the oil and gas "nationalization," imposed with ostentatious military force, was a strikingly radical measure in the era of globalization.

5. See Muñoz 1990, including the comments on the risks of a "populist cycle" by center-left Brazilian leaders Fernando Henrique Cardoso (120) and José Serra (124).

CHAPTER FOUR

The Political Left, the Export Boom, and the Populist Temptation

ROBERT R. KAUFMAN

In the late 1980s, influential articles by Jeffrey Sachs (1989) and Rudiger Dornbusch and Sebastian Edwards (1990) traced strong parallels between populist responses to the debt crisis of the 1980s under Alan García in Peru and earlier experiences with redistributive macroeconomic policies pursued under Juan Perón in the late 1940s and Salvador Allende in the 1970s. Each study showed that, despite important ideological and political differences, these governments adopted approaches that followed remarkably similar trajectories. Eschewing orthodox strictures pushed by the International Monetary Fund (IMF), each engaged in fiscal and monetary expansion and exchange rate appreciation intended to shift income to "popular" groups in the service sector and the import substitution industrialization (ISI) sector. All discounted the risks of inflation posed by such policies and relied instead on extensive price controls and foreign exchange rationing to maintain stability and subsidize ISI industries. Most important, as foreign exchange reserves were depleted and fiscal pressures mounted, the policies in each of these cases ended in inflationary disasters and economic collapse.

To account for these patterns, Sachs pointed to the very high economic inequality, which encouraged populist appeals to low-income groups. In a complementary explanation, Dornbusch and Edwards emphasized widespread frustration with the welfare costs of prior orthodox policies and the temporary buildup of favorable foreign exchange positions. Although these were clearly important factors, however, they do not fully explain why such governments would repeat policy experiments with such disastrous and predictable consequences. Nor do the authors speculate directly about whether such macroeconomic policy cycles would recur in the future.

During most of the 1990s, it appeared that they would not. In the wake of the disastrous "heterodox" experiment in Peru, severe hyperinflations in Brazil and Argentina, and the debt shocks that shook most of the region, the pursuit of macroeconomic stability and "neoliberal" reforms seemed to be the only games in town; the politi-

cal risks of high inflation and dependence on vital external capital flows appeared to make highly expansionist policies things of the past. Indeed, there is evidence that left governments of that period were more inclined than their conservative competitors to react to the threat of instability with tough austerity programs (Remmer 2002).

Since 1998, the possibility that we might see another destructive cycle of macroeconomic populism resurfaced with the election of Hugo Chávez in Venezuela and the victories of other left governments in the 2000s. The implications of these developments, however, remain unclear. Left governments in Chile, Brazil, and Uruguay have adopted what Levitsky and Roberts term in the introduction "social liberal" policies; that is, they have pursued progressive social programs within a framework of cautious fiscal and monetary policies. But populist, nationalist, and antiglobalization rhetoric has been a staple of Chávez's political appeal in Venezuela and, to a lesser extent, of Néstor and Cristina Kirchner in Argentina. And there are concerns that more recently elected left governments in Bolivia, Ecuador, and Nicaragua might move in a similar direction.

In this chapter I examine these contemporary left experiences, focusing on three questions: First, what are the parallels and differences between contemporary "left" policies and the historical episodes sketched by Sachs and by Dornbusch and Edwards? Second, what are the differences *among* the more "antiliberal" approaches of the contemporary period and *between* these approaches and those of the "social liberal" left in Chile, Uruguay, and Brazil? Third, why have these social liberal governments resisted the "populist temptation" and hewed to more cautious fiscal and monetary policies?

The first section provides an overview of the policies in five "antiliberal" governments identified by Roberts and Levitsky (this volume) as statist or heterodox in their policy approaches (Chávez, the Kirchners, Evo Morales, Rafael Correa, and Daniel Ortega) and in the three social liberal ones in Chile, Uruguay, and Brazil. I compare these governments both with each other and with the stylized features of the more radical macroeconomic policies of earlier decades. The second section focuses more closely on policy developments in Venezuela, Argentina, and Brazil—countries that are relatively comparable in terms of economic conditions, but also ones in which left governments have pursued quite divergent macroeconomic policies. The final section assesses economic and political explanations that might account for differences among the contemporary cases.

I pay particular attention to responses to the commodity boom that began in 2003 and persisted until the onset of the global economic crisis in the fall of 2008. A key difference in the economic circumstances facing historical and contemporary left governments is the extent to which this boom eased dependence on capital flows and substantially reduced the medium-term risks of expansionary policies (Fishlow 2006).

Even so, with the partial exception of Venezuela, these governments have generally placed a higher priority on fiscal restraint and macroeconomic stability than their historical counterparts.

As we will see, moreover, the contemporary governments that pursue statist or heterodox policies differ not only from their historical predecessors but also among themselves. One important reason for these differences, I argue, is that external constraints were much tighter in some countries than in others. Economic difficulties may have contributed to the election of these governments, but as chapter 2 shows, their capacity to "govern from the left" depended significantly on the extent to which they reaped the benefits of the commodity boom.

Social liberal governments, like some of the more antiliberal governments, generally faced very favorable international conditions between 2003 and 2008; yet they followed a much more cautious policy course. To explain the market-oriented policies of the social democratic governments, I follow Roberts (2007b), Mainwaring (2006), and Flores-Macias (forthcoming) in emphasizing the importance of relatively institutionalized party systems. The antiliberal governments—whether based in populist machines or social movements—came to power in the context of an institutional breakdown, as outsiders bent on a radical restructuring of the economic and political system. Social liberal governments were made up of seasoned participants in well-established party systems. These systems contained incentives and constraints encouraging pragmatic and cautious macroeconomic approaches.

The "Old Left," the "Social Liberal Left," and the "Antiliberal Left"

In this section we take a closer look at the differences in the macroeconomic policies pursued by left governments. At the outset, it is important to acknowledge three important limitations in the way I frame the discussion of these differences. First, I do not deal at any length with social policy, property rights, or other aspects of the Left's economic and political approach. My focus is restricted to the conventional tools of macroeconomic policy: most notably, fiscal, monetary, and exchange rate. Second, following Dornbusch and Edwards (1990) and Sachs (1989), I am interested in the extent to which these governments engage in expansionist macroeconomic *policies,* rather than in whether they behave in the personalistic and top-down *political style* emphasized in more recent political conceptualizations of populism (Roberts 1995; Weyland 1999a, 2001; and Levitsky and Roberts in the introduction to this volume).

Finally, I do not deal in detail with responses to the crisis of 2008 and 2009. It is likely that the macroeconomic policies of the boom period had a significant impact on the capacity to deal with the sudden reversal of fortune. Among the governments

Table 4.1.
Macroeconomic policy indicators under left governments

	Primary fiscal balance / GDP [a]	M1/GDP [a]	Central government expenditures / GDP [b]	Real exchange rate [b] (2000 = 100)	Price controls (10 = maximum freedom [a])	CPI
Argentina			14.8 (2002)	221.9 (2002)	2	9.3
2003–7	2.6	12.6	17.8 (2007)	221.4 (2007)		(2003–2007)
Bolivia			34.4 (2005)	111.6 (2005)	8	9.0
2006–7	4.4	21.1	35.6 (2007)	121.6 (2007)		(2006–2007)
Brazil			26.1 (2002)	130.5 (2002)	6.3	7.2
2003–7	2.4	7.2	23.0 (2007)	84.7 (2007)		(2003–2007)
Chile						
2000–2002	0.4	9.3	22.5 (1999)	98.2 (1999)	9.7	3.2
2003–7	5.6	10.0	18.3 (2007)	99.2 (2007)	8.7	(2000–2007)
Ecuador			16.7	66.3 (2006)		5.0
2007	1.6	9.7	18.7	69.5 (2007)	6	(2007)
Nicaragua			22.7	108.4 (2006)		15.5
2007	0.7	8.1	23.1	111.0 (2007)	6	(2007)
Uruguay			24.1 (2004)	151.8 (2004)	6	7.3
2005–7	2.9	7.9	23.2 (2007)	135.6 (2007)		(2006–2007)
Venezuela						
1999–2002	0.25	11.0	21.4 (1998)	116.5 (1998)	5.7	15.5
2003–7	2.3	22.5	30.0 (2007)	121.7 (2007)	0	(1999–2007)

Sources: Data for fiscal balances and CPI are from World Bank 2007; M1 and exchange rates are from ECLAC 2007; data for price controls are from Heritage Foundation.

[a] Primary fiscal balances, M1, and price controls are annual averages during the years of left government.

[b] Central government expenditures and exchange rates are for the year prior to the inauguration of left governments and for 2007.

that took power around the beginning of the past decade, problems already evident in Venezuela have intensified in recent years, whereas cautious macroeconomic policies pursued in Chile and Brazil have placed them in a better position to deploy appropriate countercyclical measures. But these issues extend well beyond the scope of this chapter.

As a point of departure, I display data on some key policy measures in table 4.1. In the cases of Venezuela and Chile, where current presidents came to office before the post-2002 export boom, I subdivide these periods into the years before and after the boom.

The table presents a rather complex picture, particularly with respect to the governments that have advanced relatively antiliberal ideologies. Unlike the old left governments, most of the contemporary ones maintained primary fiscal surpluses through 2007, the last full year of the boom. The data from Venezuela, to be sure, may well mask a substantial deficit (Rodríguez 2008), because a large percentage of the oil revenues flowed off-budget, directly through the president's office. But more credible data on surpluses in Argentina and in the first year of the Morales government in Bolivia show fiscal performance that was not notably different from that in Brazil, Uruguay, and Chile. The governments that came to office in 2007 in Ecuador and Nicaragua also ran surpluses, though quite a bit more modest ones.

Exchange rate policies in contemporary left governments also differed from those of the old Left. The latter used currency appreciation and exchange rate controls as a means of transferring income to the urban working class and of subsidizing the capital import requirements of ISI industries. As table 4.1 shows, however, this was not generally the case with contemporary left governments. Most maintained exchange rates at stable or even depreciated levels during their time in office. The exceptions were Uruguay and Brazil, where the election of left governments followed periods of substantial capital outflows and very large currency depreciations in the period before they took office. Left governments also generally maintained exchange rates at or above parities established in 2000, the base year used by the Economic Commission for Latin America and the Caribbean. Again, one of the exceptions was Brazil, where the national currency was strengthened by extraordinarily high interest rates and large capital inflows. The other was Ecuador's dollarized economy, where the currency appreciated as a result of domestic inflation rates that were higher than those in the United States.

Differences in fiscal and exchange rate policy between the old and the contemporary Lefts reflect several major changes in the intellectual and economic environment since the 1980s. First, although contemporary radical left politicians bitterly attacked the Washington Consensus, they had no alternative ideological approach comparable to the "structuralist" perspectives that inspired earlier episodes of macroeconomic

expansionism from the 1940s to the 1970s. The economic argument that demand-stimulus and aggressive ISI policies could eliminate the risks of macroeconomic disequilibria had been largely swept away by the Debt Crisis and the disastrous heterodox experiments of the 1980s.

If anything, perceived lessons of the export-oriented Korean experience provided a more salient point of reference. Emphasis on competitive exchange rate policies reflected the greater priority attached in the post-ISI world to managing the export sector. Similarly, fiscal surpluses reflected a pragmatic awareness, at least in part, of the dangers posed by runaway inflation. This was perhaps especially evident in the Argentine case. Roberto Lavagna, the economy minister from 2002 to 2005, negotiated a very tough debt write-down with Argentine creditors but was noted as well for a strong commitment to fiscal discipline.

Other aspects of policy showed more marked statist features under some, but not all, of the antiliberal governments. Table 4.1 compares central government expenditures in 2007, the last full year of the boom, with levels in the year before the particular left government came to office. These increased notably in Venezuela and Argentina. Even without taking into account the off-budget expenditures noted above, spending in Venezuela increased from about 21% of GDP in the 1990s to 30% in 2007. The Kirchner governments in Argentina also increased federal expenditures (particularly on fuel and energy subsidies) from about 15% to almost 18% of GDP. Spending also increased in Bolivia, Ecuador, and Nicaragua, but by relatively small amounts.

Among the social liberal governments, the sharpest contrast was with Chile and Uruguay, where central government spending declined. Federal government spending in Brazil increased under Luiz Inácio Lula da Silva, but to a lesser extent than in Venezuela and Argentina. Moreover, the expansionist tendencies of government spending were counterbalanced by exceptionally tight monetary policies and high interest rates.

Antiliberal left governments also pursued relatively expansionist monetary policies. M1 expansion, the broadest measure of money supply, was especially high in Venezuela, and in Bolivia during Morales's first year in office, but it was evident in Argentina as well (table 4.1). Negative real interest rates in Argentina and Venezuela also reflected loose monetary policies: under Kirchner, they were negative in four of the years between 2003 and 2007, and under Chávez in five of the years between 1999 and 2007 (ECLAC 2007). Although the inflation shown in the table was low by historical standards in all of the countries, it was generally higher under the antiliberal governments than under the social liberals. The exception was in Ecuador's dollarized economy, where the 5.0% average inflation rate was lower than that of Brazil and Uruguay.

Like the old Left, finally, the antiliberal governments in Venezuela and Argentina

turned increasingly to price controls as inflationary pressures began to mount. Table 4.1 shows scores on the Heritage Foundation "Economic Freedom" scale from 0 to 10, with 10 representing the greatest freedom from controls. During the mid-2000s, the Chávez and Kirchner governments scored 0 and 2, respectively. Other governments, both social liberal and populist, also relied on controls, but to a much lesser extent. Brazil and Uruguay, together with Ecuador and Nicaragua, scored around 6. Controls were most limited in Chile and, more surprisingly, in Bolivia.

One conclusion that can be drawn from the preceding discussion is that, despite similarities in antiglobalization ideologies, antiliberal governments did not pursue parallel policy courses. Venezuela and, to a lesser extent, Argentina stand apart from the others in terms of their relatively aggressive use of state expenditures, monetary expansion, and regulatory controls. In general, the governments of Ecuador, Bolivia, and Nicaragua—elected at the tail end of the boom period—showed a more mixed pattern, consistent with Roberts and Levitsky's distinction between statist and heterodox policies (see the introduction).

Country-specific factors account for a number of these differences. In Nicaragua, Ortega had been elected only because of a split in the right-wing parties and had limited control over the legislature. In Ecuador, the dollarization of the economy in 2000 had constrained monetary policy as an instrument of macroeconomic management and constricted Correa's room for maneuver. Indeed, from the early 2000s, several of Correa's predecessors had run for office as antiglobalization populists but were then forced to veer sharply to the right once in power. In Bolivia, the memory of the devastating hyperinflation of the early 1980s may do much to account for the restraint shown under Morales, despite a very favorable balance in external accounts.

Differences in external economic constraints, however, also played an important role in most of these cases. Table 4.2 shows how economic growth, trade balance, and reserves changed with the onset of the boom in 2003. Although most countries experienced a substantial improvement in growth and the trade balance, there were important differences as well in the conditions facing antiliberal governments. Argentina, Bolivia, and Venezuela experienced a sharp turnaround in their external accounts position and a substantial improvement in reserves. Bolivia, as noted, was relatively less inclined to yield to the populist temptations provided by these conditions. But the booming commodity prices (and the debt repudiation in the case of Argentina) gave Chávez and Kirchner the space they needed to prolong their expansionist policies. At least in the medium term, they did not face the tight constraints that had led to the downfall of their historical counterparts.

Ecuador and Nicaragua faced much tighter external constraints, as table 4.2 shows. Nicaragua was a net commodity importer and faced huge trade deficits during the 2003–7 commodity boom. As a petroleum exporter, Ecuador was in a more favor-

Table 4.2.
Economic growth and external constraints

	Average GDP growth		Average trade balance / GDP		Average reserves in months of imports	
	1996–2002	2003–2007	1996–2002	2003–2007	1996–2002	2003–2007
Argentina (2003–7)	0.4	8.8	1.4	6.8	6.2	7.0
Bolivia (2006–7)	3.0	5.0	–6.6	5.8	5.4	8.0/9.0
Brazil (2003–7)	1.9	4.0	–1.1	3.2	4.7	7.2
Chile (2000–2007)	3.6	5.2	–0.1	10.2	7.6	4.4
Ecuador (2007)	1.3	4.8	–0.3	–0.6	2.9	1.6
Nicaragua (2007)	4.1	4.0	–25.7	–29.0	2.0	1.2
Uruguay (2006–7)	–0.3	6.8	–2.0	1.0	5.7	6.0
Venezuela (1999–2007)	–2.3	7.6	7.3	11.4	7.7	10.0

Sources: Data on GDP growth and reserves for years 1996–2008 are from World Development Indicators; data on trade balance for years 1996–2007 are from World Development Indicators; data on trade balance for years 2007 are from ECLAC.

Note: Years of left government are in parentheses.

able position, and the trade balance shifted to a surplus in 2007, Correa's first year in office. Even so, Ecuador was one of only two countries (the other was Nicaragua) to experience a negative trade balance during the boom period.

These conditions had implications for the kinds of policies each government could pursue. Both Ecuadoran and Nicaraguan governments drew politically close to Chávez and received financial assistance from the Venezuelan government. Nevertheless, neither fully pursued the "Venezuelan model." Correa promised to increase social spending and threatened to halt payments on the external debt if necessary. But he did not abandon the dollar as the country's currency. And although he did force a substantial write-down of private external debt, he did not carry through with a threat to default on previous loans from the IMF. Nicaragua, in more dire circumstances, followed an even more "orthodox" course. Ortega sided strongly with Venezuela in some diplomatic conflicts and joined the Chávez-sponsored trade group Bolivarian Alternative for the Americas (ALBA), but the capacity to challenge orthodox policies was severely limited by Nicaragua's small size, economic vulnerability, and dependence on assistance from the international financial institutions (IFIs) and the United States.

In sum, to understand the contemporary antiliberal left governments, at least with respect to their macroeconomic policy, it is important to look underneath their often inflammatory antimarket rhetoric. Governments in Ecuador and Nicaragua came to office as bitter critics of "neoliberalism," but they lacked the degrees of freedom that allowed their counterparts in Venezuela and Argentina to translate these grievances into action (see chapter 2).

The social liberal governments in Chile, Uruguay, and Brazil—like the antiliberal

ones discussed previously—have not pursued identical macroeconomic policies. And as we have seen, there is no sharp difference between their records on maintaining primary fiscal surpluses and those of their less orthodox counterparts. They did, however, stand apart in terms of their overall approach to management of the economy, and these differences were consequential for economic performance.

One indication of this difference is the way the decision-making process was organized. Social liberal governments were much more inclined than the radical ones to delegate macroeconomic decisions to market-oriented conservatives. Under left governments in Chile, Brazil, and Uruguay, presidents consistently backed strong finance ministers and central bankers, despite often powerful political pressures to ease fiscal and monetary policy.

In Chile, Nicolás Eyzaguirre Guzmán, a staunch macroeconomic conservative, served as finance minister throughout the entire term of Ricardo Lagos (2000–2006), the first socialist president since Allende. For most of this time (2003–7), his counterpart in the Central Bank was Vittorio Corbo, an economist with a Ph.D. from MIT, who had served earlier as the head of the World Bank's Macroeconomic Development and Growth Division.[1] In Uruguay, presidential candidate Tabaré Vázquez announced during the 2004 election campaign that his finance minister would be Danilo Astori, a popular but fiscally conservative centrist politician. Astori's centrist reputation contributed to the majority victory of the Broad Front, and he was able to maintain a strong hand on the fiscal reins, despite considerable pressure from more radical sectors of his governing coalition. In Brazil, which I examine in more detail below, market-oriented finance and central bank presidents were also permitted to dominate macroeconomic policy under president Lula.

The two relatively long-lived antiliberal governments in Venezuela and Argentina show a very different pattern. In the eight years between 1999 and 2006, Chávez cycled through nine finance ministers and used his control of the legislature to press the Central Bank for cash transfers to the treasury. In Argentina, the ouster of Central Bank governor Pedro Pou in the last year of the Fernando de la Rúa administration dealt a sharp blow to Central Bank independence even before the turn to more populist presidents. But the influence of the bank declined even further in subsequent years, as four new appointees passed through the top position between 2001 and 2004. Martín Redrado, Kirchner's choice for governor, remained subordinate to the president and was given a very limited policy role.[2] More recently, conflicts with Cristina Kirchner over access to Central Bank reserves led to a constitutional confrontation over the role of the monetary authority. Economy Minister Lavagna did have greater influence over policy, first under Eduardo Duhalde and then in the first three years of Kirchner's term. He was sacked, however, after Néstor Kirchner's smashing victories in the 2005 legislative elections; and from that time until his sudden death in

2010, Kirchner exercised strong personal control over economic decisions, throughout his own term and during the initial years of his wife's presidency.[3]

Of course, for both antiliberal and social liberal governments, it is easier to reconcile budget surpluses and spending goals when times are good, as they were during 2003–7. The more demanding tests come when the inflows of resources slow down and macroeconomic adjustments are required. The decision-making patterns described make it reasonable to assume that the commitments of the social liberal governments to macroeconomic stability are stronger and more enduring than those of their counterparts, even though the latter have for the most part also shown commitments to fiscal stability and competitive exchange rates.

Several of the policy measures designated in table 4.1 provide an indication of these differences, particularly in Chile and Brazil, where left governments had been in office for relatively long periods of time. Chile's primary fiscal surplus averaged 5.6% of GDP under Lagos and his successor, Michelle Bachelet, well above the other countries' surpluses. Finance Minister Eyzaguirre was the main architect. Under his leadership, Chile instituted a strict budget rule that mandated the maintenance of "rainy day" fiscal surpluses pegged to cyclical booms in copper prices; as these prices soared, the primary balance grew from a small deficit during the downturn of 1999 to more than 8% in 2006 and 2007. M1 emissions in all three governments were also lower than in Argentina and Venezuela, and in Brazil, Central Bank president Henrique Meirelles was able to sustain very high real interest rates, despite bitter protest from both business sectors and unions.

The economic consequence of these differences in decision-making styles and priorities is most evident in the control of inflation. As discussed earlier, both social liberal and antiliberal governments were anxious to avoid a resurgence of the hyperinflations that had devastated many Latin American economies in the 1970s and 1980s. Still, patterns of price stability reflected very different degrees of tolerance for more moderate levels of inflation and different ways of dealing with the problem. Problems were increasingly severe in Venezuela and Argentina. Extensive price controls imposed by Chávez could not prevent an average increase of more than 20% in the Consumer Price Index by the late 2000s. In Argentina, the government is widely believed to have doctored official inflation figures. Nevertheless, even the official figure—around 10% by the late 2000s—was high by contemporary standards, and the actual rate has been estimated at between two and three times that level.

The record of the social liberal governments, as shown in table 4.1, stands in sharp contrast, with inflation rates generally in the low to middle single-digit range. The use of inflation targeting was a strong indication of the commitment to stability in Chile and Brazil. In Chile, the average CPI was only 3% during 2000–2010 and was actually lower under Lagos than it had been in the 1990s. In Brazil, the average inflation rate

was 7.2% during the 2003–7 period, but that average was pushed up considerably by a 15% peak in 2003. Inflation came down substantially after that point. In Uruguay, the Vázquez government did not rely on inflation targeting, but it also lowered inflation rates during its first years in office. Prices did begin to tick upward in 2007, however, as a consequence of rising global food and energy prices.

Despite some differences among them, then, the social liberal governments of Brazil and the Southern Cone contrasted with their more radical counterparts in important ways. In the next section, we look more closely at these contrasts in Venezuela, Argentina, and Brazil. As noted in the introduction, these three countries were most comparable in terms of the economic circumstances they faced, yet they went in very different policy directions. In the final section, we will examine some of the factors that account for these differences.

Venezuela, Argentina, and Brazil

The contexts in which left parties have governed in Venezuela, Argentina, and Brazil are similar in several respects. First, together with Chile, they were in power throughout most of the past decade. Second—unlike the situation in Chile—each was elected in the midst of a severe economic crisis that tested the party's commitment to neoliberal models. Finally, after they came to power, a dramatic economic turnaround in the external trade balance provided the presidents of all three countries with major new opportunities to discard these models and to adopt expansionist macroeconomic policies. In the paragraphs that follow, we trace in more detail the divergent responses to these opportunities.

Venezuela

For decades before the rise of Hugo Chávez, Venezuela had experienced boom-and-bust cycles typical of large petroleum economies (Karl 1997). A previous boom in the 1970s had significant parallels with the current one: high growth, lavish government spending, and high levels of corruption. As oil prices declined, however, the economy entered two decades of stagnation. From 1980 to the late 1990s, average growth rates hovered at or slightly below zero, a record matched in Latin America only by Cuba, Paraguay, and Nicaragua. During the 1990s, poverty rates in Venezuela rose from about 40% (10 points below the regional average) to almost 50%, about 5 points above the regional average (ECLAC 2002, 283), and the average wage declined from 3.7 times the per capita poverty line to 2.6 (256). Unlike the record in Argentina, which I discuss below, this dismal record was accompanied only by short-lived efforts at market reform, most notably under Carlos Andrés Pérez in the early 1990s (Corrales

2002). Nevertheless, the persistent inability of successive Democratic Action (AD) and COPEI (Comité de Organización Política Electoral Independiente) governments to confront social and economic problems of the country led to a collapse in popular support for the traditional political parties. The deinstitutionalization of the party system, in turn, opened the way for the rise of Hugo Chávez and his antineoliberal appeal.

As implied earlier, Chávez's ability to follow through on his appeal depended critically on external economic conditions. During his first four years in office, these conditions remained very difficult. Distracted as well by his project of restructuring Venezuela's constitution, Chávez pursued a rather cautious, if erratic policy course. In 1999, with oil prices very low, he actually engaged in a fairly orthodox adjustment, generating a primary budget surplus and restricting monetary expansion. Chávez eased discipline during an uptick in oil prices in 2000 and then hesitated to adjust to another downturn the following year. In 2002 this hesitation led to another balance-of-payments crisis and a run on reserves. The year 2002 was also one of severe political challenges, including strikes and lockouts by unions and business associations, violent street demonstrations, and an unsuccessful military coup. Even in the face of this upsurge in political protest, however, Chávez agreed to another fairly orthodox adjustment, featuring fiscal and monetary tightening and a substantial devaluation.

It was not until the resurgence in petroleum prices in 2003 that Chávez was in a position to respond to political challenges with a definitive turn toward expansionist spending and monetary policies. In 2003 Chávez broke a prolonged strike by employees in the oil sector, replaced them with his own loyalists, and established direct personal control of revenues from Petróleos de Venezuela (PDVSA), Venezuela's national oil company. With the failure of the oil strike, opposition forces changed strategy, launching a campaign for a recall referendum that would force Chávez from office. By this time, however, Chávez had access to enormous economic resources derived from the turnaround in oil prices and his newly won authority over PDVSA. Direct control over a massive new flow of resources allowed Chávez to undertake a major expansion of social service programs in health, education, and food delivery, while at the same time registering new voters and monitoring their support (Penfold-Becerra 2007). The result was a smashing victory for Chávez in the 2004 referendum and a major step toward the consolidation of his control over the political system.

Chávez's drive for regional influence, his international links to the Middle East, Russia, and China, and his rhetoric about 21st-century socialism go well beyond the political projects of earlier populist governments, including those in Venezuela itself during the mid-1970s. Of all of the contemporary left governments I examine in this chapter, however, the Chávez regime comes closest to the historical populists in terms

of its reckless exploitation of oil revenues to build domestic political support (Weyland 2008). The data in table 4.1 suggests that the parallels are greatest with respect to the expansion of the state and price controls, but as noted here, it is quite likely that the opacity of budget decisions hides substantial fiscal deficits as well (Rodríguez 2008). In any case, it is clear that massive diversion of petroleum revenues has had a serious impact on investment and productivity in the sector.

Will this new round of statist policies end with a crash comparable to those in earlier populist cycles? The answer will depend heavily on the fluctuating price of petroleum. Even before the onset of the current global crisis, however, it was already evident that the expansionist policies launched in 2003 were encountering serious problems of shortages, high consumer prices, and infrastructure investment. These worsened with the decline of petroleum prices and the global recession of 2008–10. Unlike what obtained under social liberal governments in Brazil and Chile, Chávez lacked the "fiscal space" and borrowing capacity to engage sustainably in vigorous countercycle policies (Fernández-Arias and Montiel 2009). And while much of the region began to turn around, Venezuela's economy was predicted to decline further in 2010.

Despite these difficulties, it is unlikely that Chávez will be forced out of power anytime soon; since 2003 he has consolidated personal control over most of the political, military, and economic levers of power. As the economic problems mount, however, we can expect that he will face an increasingly challenging political environment, stemming both from a resurgent opposition and from tensions within his own coalition.

Argentina

Argentina, unlike Venezuela, had been a star "neoliberal" performer during the 1990s (Corrales 2002). As in Venezuela, however, an extraordinary economic meltdown led to a severe political crisis and a major shift in policy. Beginning in 1999, Argentina experienced four consecutive years of negative growth, peaking at –11% in 2002. Debates continue about the policy errors that contributed to this shock, particularly whether the government should have abandoned the convertibility regime earlier or whether its fiscal discipline had grown too lax. Either way, the political effect was to discredit the policies of the previous decade and to destroy the incumbent Radical Party, which had had the bad luck to preside over the crash. In December 2001, blockades and massive protests drove Radical president Fernando de la Rúa from office, leaving the Peronist-dominated legislature to choose a series of caretaker presidents. Although Argentina did not experience the institutional collapse characteristic of

Venezuela, it emerged from the economic crisis with its political party system severely weakened.

Presidential elections were finally held in April 2003. Néstor Kirchner, then an obscure governor from the remote province of Santa Cruz, won only 22% of the vote in the first round but was elected by default after Carlos Saúl Menem abandoned his attempt at a political comeback and withdrew from the second-round contest. This was not an auspicious start. Nevertheless, after the election, Argentina's political situation began to stabilize and Kirchner's popularity began to climb, aided—as occurred in Venezuela—by a dramatic surge of export revenues and a return to growth.

The turn toward a more heterodox approach began under Kirchner's predecessors, Adolfo Rodríguez Saá, who suspended debt payments to private creditors, and Eduardo Duhalde, who officially delinked the peso from the dollar. Roberto Lavagna, first appointed economy minister by Duhalde, shaped the broad outlines of policy later pursued under Kirchner. It was marked, most notably, by fraught negotiations with creditors over steep write-downs of the debt and with the IMF over a debt rollover and new loans. While creditors took a haircut, however, the suspension and renegotiation of debt repayment in 2003 and 2004 quickly eased pressure on foreign currency reserves. Meanwhile, Argentina's agricultural exports soared on the wave of the currency depreciation and rising international food prices.

As discussed by Etchemendy and Garay in chapter 12, the macroeconomic policies pursued under Kirchner continued to follow a complex course, characterized by a mix of state intervention, economic nationalism, and fiscal orthodoxy. On the one hand, Kirchner backed Lavagna's vigorous effort to impose fiscal discipline, particularly on the provincial governments, and to maintain a competitive exchange rate. The government relied on export taxes to capture increasing returns from the agricultural sector and finance transfers to the urban population, but until 2007 and 2008, extraordinarily high rates of growth eased distributive pressures and limited reactions from farmers and the interior provinces. Overall, these measures were very much in line with orthodox strictures.

On the other hand, the government deviated more sharply from orthodox wisdom in its expansive monetary policy and, even more, in the imposition of price controls and consumer subsidies. As in earlier populist episodes, rising domestic consumption and a dramatic growth in real wages had a substantial short-term political payoff; Kirchner's "Victory Front" coalition won an overwhelming victory over rival Peronist factions in the 2005 legislative elections. But this victory in turn cleared the way for Kirchner to sack Lavagna.

From that point, the president assumed more direct control over macroeconomic management, giving greater emphasis to the use of government controls to shore up the administration's base of support in the urban sectors. During the second half of

the decade, concerns began to grow over inflationary pressures, supply bottlenecks in energy and electricity, and tensions over agricultural taxes and restrictions on the export of wage goods. In turn, heavy reliance on subsidies increased strains on the fisc.

Until the end of Kirchner's term, growth rates of 8–9% muted these problems; but they burst into the open after the election of his wife, Cristina Fernández de Kirchner in October 2007, and they escalated as international conditions deteriorated. Pressure to fund subsidies and social programs led the new president into bitter confrontations with farmers over export taxes and to the renationalization of private pension funds. An attempt to regain access to external credit markets produced deep conflicts with the Central Bank over the use of reserves needed to settle outstanding claims. By 2010 President Fernández was beset with a drastic decline in popular support and a resounding defeat of her faction of the Peronist party in the mid-term congressional elections.

The growing economic strains and political conflicts in Argentina should not obscure important differences from the Venezuelan case. Perhaps the most important distinction is that, unlike Chávez, the Kirchners continued to govern within the parameters of a pluralistic political system. In the economic as well as the political realm, however, they have pursued more of a "heterodox" than a "statist" policy course (Levitsky and Roberts, introduction to this volume). They attached a higher priority to fiscal discipline than did Chávez and, as noted in chapter 12, placed much less emphasis on direct nationalizations of private companies. In the medium term, this record may help to ease the path of adjustment.

Adjustments are, however, likely to be painful—both politically and economically. Changing course (for example, by raising utility prices or reducing consumer subsidies) would involve serious political costs. However, as we have seen, the attempt to sustain the present course has also been costly. These are the familiar dilemmas of the old populist era. The confrontational style adopted under the Kirchners deepens these problems. At least prior to the death of Néstor, the indications were that they were more likely to intensify the use of the "heterodox" policy instruments at their disposal than to back away from their current course.

Brazil

The political and economic context of the Left's rise to power in Brazil resembled that of Venezuela and Argentina in numerous ways. First, as in Argentina and Venezuela, the left-wing coalition led by Lula came to power in the midst of a severe economic downturn. Caught in the contagion of the economic shocks in Asia and Russia, growth halted entirely in 1998 and 1999, and it averaged a paltry 1.6% in the five years between 1998 and 2002. Moreover, although the downturn was not as

devastating as the crash in Argentina or as prolonged as the stagnation in Venezuela, the debt burden was if anything even greater. In Brazil, debt service reached 118% of exports in 1999 and declined only slowly, reaching 70% during the 2002 presidential campaign. In Argentina, the debt service burden peaked at 75% and then declined to 43% prior to the default in 2001 (ECLAC 2007). Performance, in short, had been very disappointing during the late 1990s, and the temptation to follow Argentina into default was relatively strong.

Conditions favorable to a backlash against neoliberalism were also reinforced by the widespread, if rather unfair, perception that the Fernando Henrique Cardoso administration had governed "from the right." In fact, the price stability sustained by his government had major welfare-enhancing effects, as did important social policy innovations in health and education (Arretche 2004; Draibe 2004). But in the context of the economic slowdown of the late 1990s, Cardoso's program of privatization and his commitment to macroeconomic discipline made his center-right coalition a tempting target for politicians advocating a change of direction. Finally, as was the case in both Argentina and Venezuela, the rapid turnaround in world market conditions after 2003 created a major opportunity for a left government to respond to such pressures.

Whether the Lula government would resist this temptation was by no means clear *ex ante.* Levitsky and Roberts, in the introduction, place the Workers' Party (PT), along with the Chilean Socialists and the Frente Amplio, in a category of post-Marxist parties that moved toward a social liberal approach in response to their experiences under repressive dictatorships and to the collapse of the Soviet Union. But Lula's PT was slower than its Southern Cone counterparts to abandon its anticapitalist ideology. In 1990, for example, Chilean Socialists had already embraced the market, while Lula was bidding for the presidency with a much more radical appeal. And although Lula had moved decisively toward the center by the late 1990s and early 2000s, strong left factions continued to exert influence within his party (see chapter 13).

As I argue more generally in the next section, the integration of the PT into an increasingly institutionalized party system provides an important part of the explanation of the Lula government's macroeconomic orthodoxy. By 2002 the PT had evolved from a grassroots movement into a political party, with significant governing responsibilities at the state and local level and substantial representation in the federal legislature. Antonio Palocci, later to become Lula's finance minister, had become widely known as a deficit hawk during a stint as mayor of Ribeirão Prêto, a middle-sized Brazilian city. For Lula and his allies in the PT leadership, the loss of three consecutive presidential elections to more market-oriented candidates offered a strong incentive to adopt a more pragmatic economic stance.

This orientation became increasingly evident during the presidential election cam-

paign of 2002. The campaign was conducted in the shadow of a potential economic meltdown stemming from investor anxieties about the prospects of a left-wing government that might default on its debt. To calm international markets, the IMF negotiated a loan guarantee, predicated on the maintenance of a large primary fiscal surplus. But although the incumbent Cardoso government signed the agreement, Lula provided a major assist. Instead of campaigning against the agreement, as he might have done in the midst of an election contest, he endorsed it publicly and promised to meet the fiscal and monetary targets once elected. These signals played a vital role in smoothing the political transition.

Throughout its term in office, the Lula government consistently met commitments to a cautious macroeconomic approach. Two key appointments during the first term played a critical role in this process. As noted, Antonio Palocci, the finance minister, was a strict fiscal conservative. With Lula's strong backing, and in spite of protests from the political left of the PT, he dominated spending decisions from 2003 to 2006, when an unrelated scandal forced his resignation.

Failure to pass a comprehensive overhaul of Brazil's regressive and very costly social security system did represent a serious setback for the efforts at fiscal reform. Faced with strong opposition from his union base and allies in the legislature, Lula was forced to settle on a much more modest reform, which had only a limited impact on the fisc. Given commitments to increase the financing of health, education, and other pro-poor social programs, the compromises on social security left little room for the government to increase spending on badly needed infrastructure investments, which had been cut substantially during the 1998 financial crisis. Nevertheless, the government not only met but exceeded IMF targets, with the primary surplus ranging between 2.0% and 2.5% of GDP (table 4.1).

To head the Central Bank, Lula appointed Henrique Meirelles, previously a top executive in the U.S. banking industry. In Brazil, the Central Bank is formally subject to the authority of the president. But whereas presidents in Argentina and Venezuela exerted strong pressure on their respective central banks, Meirelles remained throughout almost all of Lula's two terms and gained wide latitude to pursue an extraordinarily tight monetary policy. Over the bitter protests of business associations, unions, and much of the PT itself, real interest rates throughout the 2000s hovered around 17% or 18%—the highest level in the region. In contrast to the situation in Venezuela and Argentina, the concern for avoiding financial and monetary instability trumped all other objectives of the Lula government, as had also been the case under Cardoso.

Lula's macroeconomic conservatism has not been without serious critics. Particularly as reserves began to swell after 2003, it was not unreasonable to argue that the government had been unnecessarily cautious in deploying its gains from trade into infrastructure investment and other spurs to economic growth. Inflation remained

low throughout Lula's terms—a major achievement. But the growth record was also mediocre, reaching 6% in 2004 but declining to between 3% and 5% in 2005–7. This record made the Lula government vulnerable to critics from the Left during the opening years of his second term. However, the accumulation of reserves and the maintenance of monetary stability left the government in a strong position to adapt to the crisis of 2008–9; and by early 2010, Brazil appeared to be leading the region toward a resumption of growth.

For the purposes of this chapter, however, the central puzzle is why this course was pursued at all: or to put the matter more broadly, what accounts for the differences in the approaches adopted by Brazil and other social liberal governments, as contrasted particularly with the less orthodox approaches described in the preceding section? I turn to this issue next.

Accounting for Differences

Explanations must begin with the global commodity boom. As we have seen, this boom did not affect every Latin American country to the same degree or in the same way; but for many countries, it substantially eased the constraints associated with dependence on volatile flows of external capital and offered new opportunities to relax macroeconomic discipline. These opportunities cannot explain why left governments were elected in the first place; indeed, most of the left governments we have examined were swept into office by the wave of economic discontent that preceded the export boom. But as noted in the introduction, it was the drastic shift toward more favorable economic circumstances that allowed them to "govern left" (chapter 2)

Our sketches of the more antiliberal governments show that the variation in the trade sector helps to account for differences among them as well as broader variation across the political spectrum. The rapid turnaround in their external accounts position allowed the governments in Venezuela and Argentina to move in "heterodox" and/or "statist" directions. At the same time, the contrast with the relatively cautious policies pursued in Nicaragua and Ecuador seems attributable less to ideology than to economic capacity: with only a few months' worth of reserves and large trade deficits, neither Nicaragua nor Ecuador was in a position to follow the macroeconomic lead of the much more favorably situated Argentina and Venezuela, notwithstanding their populist orientation.

Favorable economic circumstances, however, did not lead all left governments to act on the populist temptation. In Chile, even as the trade balance soared, the Lagos government ran primary budget surpluses that reached 8% of GDP and built up a sizable "rainy-day" fund. In Brazil, as we have seen, the Lula government sustained cautious macroeconomic policies in the face of a very large run up of reserves. At

most, then, the extraordinary commodity boom was a necessary condition for contemporary economic populism, but not a sufficient one.

Three additional economic factors may have contributed to the way governments responded to the populist temptation. The first is the incentives inherent in economies based primarily in the export of mining, gas, and petroleum. Such economies have long been prone to boom-and-bust cycles, to intense distributive conflicts, and to recurrent efforts by governments to capture revenues from the export sector (Karl 1997; Weyland 2009).

The economic nationalism in Venezuela, Ecuador, and Bolivia derived in part from such incentives; as commodity prices skyrocketed, those governments had strong incentives to squeeze resources from the export sector and engage in redistributive policies. However, this factor did not appear to have the same impact in several other left governments. Bolivia's assertion of control over the gas and oil industry, as noted, was accompanied by relatively cautious fiscal and exchange rate policies. In Chile, where copper constituted two-thirds of the country's exports, social liberal governments adopted an even more orthodox approach. Conversely, in Argentina, the swing toward a more heterodox approach occurred in an economy with only limited mineral exports—about 20% of the total in 2005 (World Bank 2007).

High levels of economic inequality—a factor Sachs (1989) emphasized in his early article—may also have induced some governments to engage in populist forms of redistribution. A substantial increase in the Gini index, for example, preceded the rise of left governments in Argentina and Venezuela and undoubtedly stirred pressures for redistribution. Again, however, high inequality alone would not explain the persistence of more moderate social liberal approaches in Chile and Brazil, two of the most unequal countries in the region.[4] Inequality may well matter a great deal in combination with other political and economic conditions. But it is generally difficult to find a strong correlation within the region between the intensity of redistributive pressures and differences in the degree of inequality (Kaufman and Stallings 1991; Kaufman 2009).

Finally, past experience with hyperinflation might have encouraged some governments to exercise greater caution. A fear of recurrence of high inflation was clearly evident in Brazil, and it also played a role in the fiscal policies pursued in Argentina and Bolivia. But these three governments prioritized inflation control in quite different ways. In Brazil, as I have argued, it was the Lula government's highest priority, despite pressures to stimulate the sluggish economy and increase job growth. Argentina combined fiscal discipline with expansive monetary policies aimed at boosting consumption, and like the left-populist regimes of the past, it was more willing to rely on controls to contain price increases.

Although all of these economic factors may be relevant to understanding the dif-

ferences among left governments, a full explanation requires a closer consideration of the impact of differences in the political experiences of the actors and the institutional context in which they operate. Levitsky and Roberts, in the introduction, distinguish between governments that emerge as parts of "outsider" movements, formerly Marxist parties emerging out of the right-wing repression of the 1960s and 1970s, and nonideological populists emerging in the context of established patronage parties.

As a complement to this perspective, I would argue that differences in the institutionalization of the larger party system also played an especially important role. Institutionalization itself, to be sure, requires an explanation. Party systems can become more or less institutionalized over time (as was the case in Brazil and Venezuela, respectively). Such differences have depended in part on the capacity of established political elites to effectively manage the economy and spread its benefits; and arguably, it also depended on how left parties themselves defined their objectives, sought political support, and influenced the behavior of their competitors. Whatever the deeper causes, however, it appears that left governments that assumed office in institutionalized systems were more likely to exercise macroeconomic caution than were "outsiders" or populist politicians who took power in a vacuum opened by deinstitutionalization.

By institutionalization, I refer to three specific attributes of the system: (1) the main political parties have relatively stable organizational identities and bases of electoral support (i.e., low electoral volatility); (2) leaders of the competing parties jointly view winning and losing elections as a "repeat play" process, not as a one-shot contest that might allow the winner to rule indefinitely; and (3) winners are subject to "horizontal" accountability; that is, they accept that they can be legitimately challenged by critics within their own party and by competing parties based in the legislature or other institutional centers of power.[5] By these criteria, Chile, Uruguay, and Brazil seemed relatively institutionalized by the early 2000s, whereas Bolivia, Ecuador, and Venezuela were much less so. Argentina is a more ambiguous case, but it also appeared less institutionalized after the collapse of the Radicals and the shift toward intraparty competition among Peronist factions. Nicaragua is also an ambiguous case, because of the highly polarized relationship between the Sandinistas and the Right.

Why would these differences matter for macroeconomic policy? Reviewing these cases, there are at least four reasons why institutionalization can be said to have affected the inclination of left governments to yield to or resist the populist temptation.

First, whether through self-selection or learning, participation in institutionalized systems encourages pragmatic orientations toward public policy. In all three social liberal cases, left governments could draw on a political base of party politicians with ongoing stakes in elective office and governing experience at the local level. In contrast, it was harder for the populist leaders of Venezuela, Ecuador, and Bolivia to

back away from the hard-edged militancy that had brought them to power. Whether they had constructed their movement from the top down or headed broadly based social movements, this was an important component of their political credibility.[6] Argentina, as noted, was a somewhat ambiguous case. Although Kirchner also built his political career outside the Peronist mainstream, his experience in electoral politics may well account for a somewhat more moderate macroeconomic approach than we saw in Venezuela.

Second, in institutionalized systems, left parties also had stronger incentives to coax votes from their competitors' relatively stable constituencies or to appeal to "swing voters" in the middle. This was clearly the lesson that Lula took away from his repeated unsuccessful bids for the presidency. It was also crucial to the electoral victories of the Chilean Socialists and the Frente Amplio. In all of these cases, the left parties captured the presidency only after many years of effort to convince voters that that they were not only progressive but also "safe" economic choices. By the time left governments in these countries came to office, they had strong incentives to avoid destabilizing economic initiatives that might undermine these expectations.

Such incentives are not as strong for outsiders who bid for power in less institutionalized systems. Electoral cleavages in such systems often divide along plebiscitary lines: voters decide whether they want to support or reject the institutional status quo. As outsiders, Chávez, Correa, Morales, and even Kirchner were in a position to capitalize on broad discontent, promising that life would improve dramatically for most people once the rascals were thrown out. In the short term, undertaking expansionist macroeconomic policies was a way to make this happen.

Third, the repeat-play character of institutionalized party systems may also have had an important effect on the incentives facing left parties. Although my evidence is limited, it is plausible that social liberal governments in power during the 2000s were more likely to look ahead to the time when they might once again be in opposition. Maintaining economic stability promised not only to help establish their credentials as a responsible governing party but also to position themselves as a viable alternative in future electoral contests.

Outsiders in the less institutionalized systems were more inclined to view their rise to power as a "now or never" opportunity. It was no accident that Chávez and his counterparts in Ecuador and Bolivia placed a high priority on constitutional reforms aimed at locking in their power, sometimes indefinitely. Although this was less blatant in Argentina, Kirchner's plan to alternate in office with his wife provided them with an opportunity to extend their joint terms to 16 years. In the meantime, they had incentives to undertake riskier macroeconomic measures that might boost or preserve their popularity in the short run.

Finally, left parties are more likely to exercise caution if they are faced with viable

opposition from moderate conservative parties that would be in a position to capitalize on macroeconomic instability in the next election. In their quantitative analysis, Murillo, Oliveros, and Vaishnav (chapter 2) found that the legislative strength of conservative parties had no significant effect on the extent to which parties "governed from the left." It is difficult, however, for the broad measures deployed in such studies to capture more subtle, yet important differences in the way left governments frame policy. If we focus more narrowly on the contemporary left governments themselves, the presence of credible electoral challengers appears to have had an impact on the inclination of incumbents to pursue risky policy approaches.

Although left-center coalitions piled up substantial victories in the social liberal cases, opponents on the center-right remained serious contenders. The Chilean Right was tainted by past association with the Pinochet dictatorship but became an increasingly legitimate electoral option with the passage of time, leading to a near win in the 1999 presidential elections and a victory in 2010. Although this challenge strengthened short-term incentives to pump up the economy, it also reinforced concerns that this not come at the price of economic instability, which would have seriously damaged the Concertación's electoral prospects in the medium run.

Uruguay and Brazil faced similar challenges. In office, both governments enjoyed high approval ratings; but center-right coalitions also maintained substantial bases of electoral support and were in a position to capitalize on economic missteps in local, legislative, and presidential election cycles. To continue in office, left parties faced the difficult challenge not only to deliver on social commitments, but also to do so while maintaining the economy on a steady path.

Chávez and, to a somewhat lesser extent, the Kirchners faced fewer constraints of this kind. In Venezuela, Chávez did face serious threats to his power, but these came in the form of strikes, mass mobilizations, and coups. Opposition parties were discredited and in disarray after 1998. In 2005 they boycotted the legislative elections, ceding total control of the Congress to pro-Chávez parties. Chávez thus had strong incentives to deploy massive resources in an effort to counter extraconstitutional threats, and there were only weak institutional or electoral checks on his ability to do so.

After 2003, the Kirchners operated in a more predictable constitutional environment. Rival Peronist factions, most notably headed by Eduardo Duhalde, continued to pose a serious challenge. But Menem's more market-oriented faction was no longer an important power contender, and the Radicals, as noted, were no longer a viable opposition. Particularly after the defeat of the Duhalde faction in the 2005 congressional elections, Kirchner faced relatively limited political constraints. This paved the way for him to fire Lavagna as economy minister and gave him a freer hand to pursue his heterodox policy course.

Conclusion

Despite the opportunities presented by the commodity boom, the macroeconomic policies of the left governments of 2000 to 2010 differed significantly from those of their historical predecessors, particularly with respect to their fiscal and exchange rate policies. At the same time, their approaches to maintaining macroeconomic stability were spread across a relatively broad spectrum, with the three social liberal governments at one end and Venezuela at the other. The other left governments remained at varying distances from the "statist" pole: macroeconomic policies pursued in Argentina, Nicaragua, Ecuador, and Bolivia contained complex mixtures of "orthodoxy" and "heterodoxy." In this chapter I have attempted to describe and explain these differences.

Differences between old and contemporary left governments are attributable to numerous factors, but the end of the ISI era, the catastrophic failures of "heterodox" policies in the 1980s, and the eclipse of structuralist approaches figure prominently in the explanation. Differences among contemporary left governments are likewise attributable to a variety of economic, political, and ideological factors. Two, however, stand out.

First, the condition of the trade sector is crucial. No matter how radical their ideology, the governments' capacity to sustain radical macroeconomic policies for any length of time depends on the easing of foreign exchange constraints. Even beneficiaries of the commodity boom such as the governments of Venezuela and Argentina have found that policies that ignore macroeconomic constraints cannot be sustained over the long run. But they have had more leeway to pursue these policies than do countries such as Ecuador and especially Nicaragua, where constraints are significantly tighter.

Second, the response of governments to the easing of these constraints will depend not only on economic conditions but also on the features of the political institutions, and particularly the party system. Both the incentives and the capacity to pursue statist or heterodox macroeconomic policies are strongest when governments are led by "outsiders" who have come to power in the vacuum left by the collapse of weakly institutionalized party systems. They have stronger incentives to deploy public resources to consolidate a potentially volatile support base and fewer political constraints on their ability to do so. For left governments in more institutionalized systems, the checks and balances of institutionalized party politics provide stronger incentives for cautious policies. Even when economic circumstances are highly favorable for expansionist policies in the short run, those governments' policy choices are constrained by centrist supporters and allies and by conservative opponents. Although electoral cycles can tempt any government to undertake unwise expansionist

measures, governments in institutionalized systems are more likely to realize that over the longer run, prospects for reelection tomorrow may also depend on the capacity to maintain economic stability today.

What are the implications of these differences for the long-run future of democracy in the region? That issue lies outside the scope of this chapter, but a brief comment is in order. As Kurt Weyland argues in chapter 3, it seems likely that the role of the Left in institutionalized party systems will strengthen democracy in countries such as Chile, Brazil, and Uruguay, not only by helping to integrate marginalized citizens into the polity, but also by doing this within a stable macroeconomic context.

I am less hopeful than Weyland, however, that the unsustainability and potential collapse of more radical approaches will lead the region as a whole back toward a broader acceptance of market policies. Different approaches by radical left governments are likely to lead to different outcomes. Moreover, even disappointing performance under these governments can typically be blamed on a multiplicity of factors and is thus unlikely to resolve sharp debates between advocates and critics of macroeconomic discipline. As has been the case in Argentina and Ecuador, such systems would remain vulnerable to a recurrence of destabilizing populist challenges.

Even in Venezuela, the most reckless of the current left governments, an economic crisis is unlikely to resolve political divisions over macroeconomic policies. An equally plausible scenario might recall the polarization that occurred in Argentina after the overthrow of Juan Perón in 1955: a widening cleavage between sectors that call for a return to market policies and those that shift the blame for failures onto capitalists, foreigners, and the oligarchy. The "rise of the Left," in short, is likely to increase rather than diminish the growing diversity of the countries within the region.

NOTES

I am grateful to Albert Fishlow, Steve Levitsky, and Kenneth Roberts for their comments on this chapter and to Brian Cramer for research assistance. The errors are entirely mine.

1. His predecessor, Carlos Massud (1996–2003), and his immediate successor, José de Gregario Rebeco, had similar backgrounds.

2. In 2006, the noted German financial magazine *Global Finance* awarded a grade of D to Redrado for not having acted more aggressively to contain inflation.

3. Direct presidential control is also evident in Ecuador, where Correa has previously acted as a minister of finance, as well as in Bolivia.

4. For comparative data and analysis of economic inequality, see De Ferranti, Perry, and Ferreira 2004.

5. This definition is similar to that used by Mainwaring and Scully 1995, but it attaches greater emphasis to the role of stable, shared expectations about rules and political processes.

6. As was evident, for example, in the ouster of Lucio Gutiérrez as president of Ecuador in 2005.

CHAPTER FIVE

Social Policy and Redistribution

Chile and Uruguay

JENNIFER PRIBBLE AND EVELYNE HUBER

The rise of the Left in Chile and Uruguay, in 2000 and 2005, respectively, initiated a period of significant social policy reform. Indeed, Chile's Socialist Party (PS) governments of Ricardo Lagos and Michelle Bachelet and Uruguay's Frente Amplio (FA) administration headed by Tabaré Vázquez enacted more significant changes in education, health care, transfer, wage, and tax policy than the other left governments in Latin America. During this same period, Chile and Uruguay also witnessed an impressive reduction in poverty and income inequality (Amarante and Vigorito 2006, 4; ECLAC 2006, online Excel sheet 4). The extent to which this progress can be tied to the social policy initiatives pursued by the left governments is difficult to establish, but careful analysis of the policy reforms reveals that these governments have restructured social policies so as to increase the level of protection available to the poorest sectors of society.

In this chapter we ask two questions: First, we ask whether these governments, exemplifying best-case scenarios in Latin America, have embarked on a viable path toward a sustainable social democratic welfare state. Second, we ask whether and why they differ in their approaches and progress on this path, paying close attention to how the parties' organizational characteristics influence this variation. In their introduction, Levitsky and Roberts classify the left parties in Chile and Uruguay as an "institutionalized partisan Left," distinguishing between an "electoral-professional" Left and a "mass-organic" Left. Uruguay's FA is an example of a mass-organic left party, while Chile's PS is an example of an electoral-professional left party. We contend that this difference in organizational character has important consequences for the types of social policy reform adopted.

Social democratic welfare states are built on the principles of universalistic citizenship or residency-based benefits, in contrast to Bismarckian or conservative welfare states that are built on the principles of employment-based benefits and liberal welfare states that are built on the principles of residual support for those unable to provide

for themselves through the market (Esping-Andersen 1990). Social democratic welfare states provide a wide range of public services, whereas conservative and liberal welfare states rely on the family or private organizations for provision of these services. In practice, of course, all existing welfare states have a mixture of programs; basic universalistic programs in social democratic welfare states have been supplemented with employment-based programs, Bismarckian welfare states have social assistance programs of varying generosity for those outside the labor market, and liberal welfare states may have some universalistic programs (Huber and Stephens 2001). Empirically, social democratic parties in Europe have constructed welfare states that are more generous and reduce poverty and inequality to a greater extent than welfare states constructed by any other political forces (Bradley et al. 2003; Moller et al. 2003). Thus, in assessing the trajectory of social policy under left governments in Chile and Uruguay, it makes sense to use movement toward well-financed universalistic citizenship or residency-based programs as a yardstick.

Here one needs to deal with the issue of means- or income-testing, or targeting of social programs. In advanced industrial societies, heavy reliance on means-testing is associated with liberal welfare state regimes, and such assistance is seen as something like charity; universalistic programs are seen in a fundamentally different way, as a social right. This view makes sense in a context where a small minority of the population qualifies for these programs and where there is considerable discretion on the part of the welfare bureaucracy. However, in developing societies, where inequality is extreme and resource constraints are severe, it may make sense to have some kind of a means test, as long as the coverage of the programs is very wide and is established as a citizenship or residency right, with a minimum of discretion.

We therefore focus on the question of whether and how left governments in Chile and Uruguay have altered expenditure levels *and* the coverage of social services and transfers. The issue of expenditure is important because we want to know whether the recent "left turn" has resulted in a heavier emphasis on the "social question," and considering only coverage could mask state efforts to increase the funding of social programs. Similarly, however, analyzing only expenditure is misleading if programs are not restructured so as to reach the poorest sectors of society.

As noted by Levitsky and Roberts in the introduction to this volume, left governments in Latin America have distinguished themselves by increasing the coverage and generosity of transfer payments as well as making improvements in the quality of social services. We analyze this movement in Chile and Uruguay, concentrating on social programs, tax policy, and wage-setting. In order to assess progress toward a social democratic model of political economy, we would have to take into account other labor market policies, economic policies, and general political management as well, which would go way beyond the confines of this chapter.[1] Whereas it is true

that the Left in both Chile and Uruguay did not depart much from neoliberalism in trade, financial, and investment policy, it is also true that macroeconomic stability is an essential element of social democratic projects. Moreover, our main focus is on social policy, wage-setting, and taxation, so that we think it is useful to conceptualize the political projects of the Left in these two countries as social democratic, as does Lanzaro (chapter 15).

Our argument in short is that the left governments in both countries have made important steps toward a social democratic restructuring of their welfare states, but that Uruguay has moved farther in that direction than Chile has. Both countries inherited welfare states originally built on Bismarckian principles, with the Chilean one having been reconstructed on the basis of liberal principles under Pinochet. Both of them made progress toward basic universalism, Chile in pensions and Uruguay in pensions and family allowances, as well as in access to health care. Education reform proved more difficult in both countries.

There are four sets of reasons for the greater progress made in Uruguay than in Chile; ideology of the leadership, organizational characteristics of the left parties, strength of the opposition, and policy legacies. Faith in the market—or skepticism with regard to state intervention—and support for private provision of welfare state transfers and services is stronger among the Chilean than the Uruguayan leadership of all the governing parties. Moreover, the political coalition in Chile includes Christian Democrats along with left parties, whereas the FA is made up of leftist factions only. The parties in Chile are electoral-professional parties, that is, leadership-dominated parties with extremely weak ties to the rank and file and no ties to civil society organizations, whereas the FA is a mass-organic organization, with strong ties to the rank and file as well as to civil society organizations. These characteristics are largely a result of the historical evolution of these parties. The Concertación faces a very strong and militantly right-wing opposition with close ties to a well-organized business community, whereas the FA faces two traditional parties with weaker bases and cohesion, weaker ties to business, and a less militantly right-wing orientation. Finally, the Pinochet reforms greatly strengthened the role of private providers in pensions, health, and education, which constitute forces of resistance against social democratic reforms.

Chilean and Uruguayan Social Policy Reform, 2000–2007

Transfer Policies

Important reforms in transfer policy began with the creation of a new social assistance program, Chile Solidario, in 2004, by the Lagos administration. Chile Solidario provides income support to families living in extreme poverty as well as counseling

and guidance from state social workers to access a variety of programs (Ruz and Palma 2004; Serrano and Raczynski 2004). The program emerged because of President Lagos's desire to address the lingering problem of extreme poverty.[2] Between 1996 and 2000, the share of individuals living in extreme poverty in Chile had remained constant, while overall poverty levels continued to decline. Participating households must fulfill several commitments outlined in a social contract (Rodríguez 2003). The cash benefit paid to families is quite small, totaling US$21 for the first six months, US$16 for months 7–12, and US$11 for months 13–18.[3] More recently, President Bachelet called for the incorporation of new groups into Chile Solidario, most notably the homeless, and for the creation of a broad social protection system.

In June of 2007, President Bachelet submitted an ambitious pension reform bill that was passed by the Congress and took effect in July 2008. Chile's privatized pension system, which was established during the military dictatorship in 1981 and relies on individual savings, has failed to provide universal coverage. Estimates are that at most 60% of the labor force contribute regularly to the system of private funds (Consejo de Reforma Previsional 2006, 3). Labor market characteristics, such as long periods of unemployment, informal employment, or withdrawal from the market because of family obligations, translate into a situation in which a large share of workers do not accumulate sufficient funds in their private accounts to sustain pension payments. Since benefits are directly tied to one's individual contributions, this generates both a lack of coverage and large inequalities in the size of retirement income. Before the Bachelet reform, access to the state-guaranteed minimum pension required 240 months of contributions during one's working life, a goal beyond the reach of many Chileans. The social assistance pension (PASIS) was also unobtainable for some individuals because they did not qualify according to the country's means test (Consejo de Reforma Previsional 2006, 17–18).

Bachelet's pension reform introduced a solidaristic pillar into the privatized system. This pillar funds old-age, disability, and survivor benefits to uncovered individuals and replaces the previous system of the minimum pension and PASIS. The new benefit will be provided as a "basic universal pension" and will be available to the bottom 60% of the income distribution. In this new system, individuals who did not contribute to a private fund and have no other source of pension income will be granted a monthly benefit of US$150 (El Mercurio 2008). For those individuals who did contribute to a fund during their working life, but who have accumulated very little, the state will subsidize their pension benefit up to a maximum of US$510 per month ("Gobierno sufre revés" 2008).[4]

Bachelet's pension reform also eliminated the distinction between workers in the formal and the informal sectors, requiring both groups to contribute toward individual savings and allowing informal-sector workers access to family allowances and

work injury protection. The reform also includes provisions to decrease gendered sources of inequality. Not only will the universal pension provide coverage to women, but the state will make a contribution worth 10% of 18 minimum wages for the first two children born to each woman.[5] Finally, the reform included efforts to increase competition among the pension fund administrators (AFPs) and the profitability of such funds by permitting greater international investments. The reform proposal also provided for the creation of a state-run AFP (directed by the Banco del Estado), although this failed to pass, and it set up tax incentives for individuals to create supplemental retirement savings (similar to the U.S. system of individual retirement accounts) (Consejo de Reforma Previsional 2006).

In Uruguay, one of the first laws passed by the new FA government in March of 2005 established the Social Emergency National Assistance Plan (PANES) for indigent families.[6] In addition to income support, which totaled nearly US$60,[7] PANES involved the administration of a national nutrition program, an emergency health care program, education in critical contexts, a transitory-employment program, assistance for squatters and others living in high-risk housing, and a placement program for the homeless (Courtoisie and Da Costa 2005, 31). PANES was established by law to exist for only two years, until a long-term system of social protection could be established.[8] During 2006, PANES grew to cover 400,000 individuals in 91,000 households and enjoyed significant success and support (Chasquetti 2007).

In 2007 the Vázquez government introduced a new program called the Equity Plan to replace PANES, with an increase in the value of the family allowance and a decrease in the age requirement for the noncontributory social assistance pension. The new law increased the value of the family allowance from US$11.30 per child to US$30.00 for children up to 12 years of age, and from US$11.30 to US$43.50 for children of ages 13 to 18 ("Los siete ejes del plan" 2007). Uruguay's family allowance system provides the benefit to all families that qualify with regard to their household income. Payment of the allowance is conditional upon children's attendance in school. The new program also lowered the age for the noncontributory social assistance pensions for low-income individuals of ages 65–70 and above (Campodónico 2006). The Equity Plan calls for further expansion of preschool and incentives to boost secondary-school attendance and retention. It provides subsidies to private firms that contract with unemployed members of poor households, expands the use of nutrition cards, and subsidizes electricity and water costs (Cuenca 2007; "Los siete ejes del plan" 2007). The plan is available to all low-income households and has come to serve around 1 million citizens, about one-third of the country's population (Campodónico 2007).

Education

Education was identified as a priority of the left governments in both Chile and Uruguay.[9] Neither Uruguay's FA nor the socialist governments in Chile, though, have done much to change structural aspects of the education system. President Bachelet negotiated a new education bill that creates a differential system of funding, with higher levels of financing to schools with high-risk populations (Santoni 2007). She also passed a law that makes kindergarten education mandatory and significantly expanded preschool education through the new program "Chile crece contigo," which guarantees access to day care and preschool for all children in the bottom 60% of the income distribution (MIDEPLAN 2010). President Lagos had secured passage of a law that mandates 12 years of education for all Chilean children.

The Chilean and Uruguayan education systems are significantly different, and thus the challenges they face vary widely. Chile's system bears the imprint of the Pinochet military regime. Under Pinochet, education was decentralized to the country's 325 municipal governments (Mizala and Romaguera 2000; Cox 2003). The state administers a per-pupil subsidy to public and private educational establishments (Castiglioni 2005), which is allocated on the basis of the number of days attended by each pupil. There are three types of schools: (1) those that are strictly public and financed completely by the state (per-pupil) transfer and municipal resources, (2) state-subsidized private schools (funded by the government per-pupil subsidy and private resources), and (3) strictly private schools, financed exclusively through fees paid by parents.

The subsidized private schools can charge a copayment and establish admissions criteria, while municipal schools cannot turn down any pupil (Cox 2006). The Chilean education system is characterized by high levels of inequality generated by the fact that the central government per-pupil payment is often not sufficient to sustain small municipal public schools in poor areas where there are no alternative sources of financing available (Pribble 2008).

The first two governments of the Concertación, both Christian Democratic in their political orientation, did little to alter the basic structure of the education system but did increase funding significantly. Only President Bachelet attempted to deal with some of the inequalities through several different legislative proposals.

In the wake of violent student protests that overwhelmed national authorities in April and May of 2006, the Bachelet government initiated a reform of the constitutional law that governs education (the Ley Orgánica Constitucional de Enseñanza [LOCE]). However, in light of growing tension, Bachelet decided in late 2007 to negotiate an agreement between the country's primary political parties, and she was unable to secure the elimination of the cofinancing system and the elimination of ad-

missions criteria (Government of Chile 2007). The expansion of preschool education helps prepare underprivileged children for their educational experience, improving their long-term development (ANEP 2005), and it has positive gendered effects, as it provides a de facto system of day care for women who would otherwise be unable to enter the labor market.[10]

In Uruguay, the Vázquez government also did very little to alter the structural organization of the education sector, although it increased funding significantly, reaching the stated goal of 4.5% of GDP by the end of the left party's first term in office (Besada 2009). Still, no legislation or program has been introduced to address the challenges of school abandonment and overcrowding that plague the Uruguayan system. In Uruguay the majority of students continue to receive their education in public facilities, but because of funding cutbacks and simultaneous growth in enrollment, the state schools have deteriorated significantly. Moreover, the issue of dropping out of school has become an enormous challenge, with an estimated global dropout rate of 34% in 1999 (compared to 17% in Chile) (Anep 2005, 124). During 2007 the government worked to draft a new education law, but the project stalled and no structural changes have been adopted in the education system (Besada 2009).

Health Care

The left governments in both Chile and Uruguay made impressive progress in health care, improving access and quality for underprivileged groups and promoting the idea of health care as a guaranteed right of citizenship. In Chile the health care reform, known as Universal Access to Explicit Health Guarantees (AUGE), was created by the Lagos administration and expanded by President Bachelet. In Uruguay, the FA government reformulated the health care system to form the National Integrated Health System (SNIS).

The Chilean health care system was reformed by Pinochet into an underfunded public system (FONASA) and a private for-profit system (ISAPRE) to which wage and salary earners could direct their mandatory contributions. An ISAPRE could charge additional payments and discriminate on the basis of risk. The previous Concertación governments had increased expenditures in the public system but had not attempted any structural changes.

Lagos's AUGE health care reform involved a laborious process of negotiation lasting from 2002 to 2004 both among sectors of the Concertación parties and between the center-left coalition and the opposition. The original version of the reform proposed the creation of a set of illnesses that the state would guarantee to cover in a timely manner. The guarantees were valid for both public-sector and private-sector health care users. The bill specified exact timelines for the treatment process. The

AUGE reform also sought to change the way in which health care was financed, so as to remedy the process of "risk skimming" that prevailed in the private sector. Private insurance companies discriminate against high-risk individuals, thereby reducing their liabilities and passing the elderly, the sick, and the poor to the public sector. AUGE sought to address this issue by requiring that a proportion of all workers' health care contributions to both FONASA and the ISAPREs be directed to a national solidarity fund that would subsidize coverage for individuals with a higher-risk profile. In this way, the national fund would offset the disproportionate cost incurred by the Chilean state for covering predominantly high-risk individuals (Letelier and Morales 2002; Boeninger 2005; Dávila 2005).[11] The "solidarity" fund was rejected, however, and replaced with an inter-ISAPRE solidarity fund. The original proposal also called for the creation of a maternity solidarity fund, but that too was rejected.

The final version of the reform guaranteed universal coverage of 56 illnesses on a gradual basis, with 25 being covered by 2005, 40 by 2006, and the full 56 by 2007 (Dávila 2005, 26).[12] The reform commits the state to covering the cost of treatment in the private sector if public providers are unable to provide care as stipulated by the law. Financing the new system proved contentious, and after initiatives to impose an alcohol and cigarette tax were turned down, the final law called for the new system to be funded through a 1% increase of the value added tax,[13] increased efficiency in the use of health funds, increases in government revenue tied to economic growth, and new copayments (Espinosa, Tokman Román, and Rodríguez Cabello 2005).

Several elements of the AUGE health care reform have improved the level of social protection enjoyed by low-income sectors of the population. Specifically, the fact that AUGE guarantees treatment in a timely manner for the illnesses that account for a large share of deaths in Chile means that low-income families relying on public health care will receive the care they need. AUGE created a regulatory agency (the Superintendencia de Salud), which is responsible for enforcing these guarantees and constitutes an important step toward making the rhetorical commitment to universalism a practical reality. Finally, while AUGE does not eliminate copayments and actually introduces new copays in some cases, it does place a cap on the total amount that a family can be required to pay for any given AUGE illness in any given year. These caps were formulated in a progressive manner and afford financial protection to low-income groups (Pribble 2008).

Still, the elimination of the AUGE solidarity and maternity funds means that the low- and middle-income users of the public sector bear a greater burden in covering risks than the private sector does (Pribble 2008). Moreover, the elimination of these two funds pushed the government to enact larger copayments, which weigh heavily on lower-income groups. President Bachelet extended AUGE, and the total coverage was brought to 69 illnesses by 2010 (Government of Chile 2010).

Uruguay's FA government also engaged in an ambitious health care reform. Under Uruguay's previous health care system, citizens gained access to health care through a payroll tax, but workers did not have the option of using the public system. Instead, they were required to affiliate with a private company and payments were allocated directly to an Institution of Collective Medical Assistance (IAMC), a not-for-profit private insurance company. The public system, by contrast, was financed through general revenue and existed to provide service to the poor. This division created high levels of inequality with regard to the quality of care available in the public and private sectors. The new system aims to strengthen the public sector, improve the financial sustainability of private providers, and shift the focus of care from its expensive curative character toward a preventive system with a strong network of primary care clinics (Pribble 2008).

The most notable changes resulting from the FA reform relate to health care financing and the extension of coverage to children. Under the new system, Uruguayans employed in the formal sector will contribute a share of their income to a national health care fund administered by a committee that comprises government, citizen, and medical-sector representatives.[14] This fund will then allocate a per capita payment to the health care provider that the worker chooses to use. Citizens will have the option to choose between the public and the private sector and among distinct IAMCs.[15] The per capita payment that is transferred from the national health care fund to the provider will vary based on the risk profile of the individual being covered. In this way, the new FA reform pools income and risk and avoids the issue of "risk skimming" that plagues the Chilean system.[16] The new financing system will also help reduce the disparity between per capita spending in the public and the private health care systems, since public and private providers will receive the same per capita subsidy.

Under the new system, the state will continue to subsidize health care for the poor in the public sector, but workers too will have the option of using public care. Since the public sector has historically had lower copayments, and because the network of public health care is stronger than that of the private sector in some remote areas of the interior of the country, it is possible that certain workers will in fact opt to use the public system.

Another weakness of Uruguay's previous health care system was that it provided coverage only to the individual worker. In practice, this meant that many children did not have full health care but relied instead on partial "emergency" insurance or on the public sector. Under the new system, workers will contribute based on their income level and the ages of their children, from a low of 3% to a high of 6%, and children will obtain access to care through their parents.[17] In the first two days of the reform's implementation (January 2 and 3, 2008), nearly 70,000 children were enrolled in the

system. Of these children, 18,000 had previously had no health care coverage whatsoever, while others had had partial coverage ("Casi 70 mil niños" 2008).

The FA government also reformed rules regulating the cost of private-sector copayments for health care procedures, which according to one study had more than doubled between 1991 and 1998 (Portillo, Buglioli, and Lazarov 2001, 18). The new system reduces the value of copayments and increases regulations on the services IAMCs must provide free of copay to children, the elderly, and pregnant women. In addition, there are restrictions on the length of time that any individual will wait for services (Campodónico 2006).

The FA health care reform has its shortcomings as well. Critics note that the reform does not address the financial health of private insurance firms, which may not be prepared to deal with the new influx of users. Another weakness is the fact that access to care is still tied to one's position in the labor market or status as poor. Informal-sector workers who are not poor will not have coverage through this reform.[18] Finally, it is unclear whether the reform will truly promote a shift away from Uruguay's heavy reliance on costly curative care toward a system that focuses on preventive primary care. Despite these negative points, the FA reform goes further than its Chilean counterpart in restructuring the health care system to benefit low-income individuals by regulating the private sector and promoting risk and income pooling.

Minimum Wage and Salary Negotiations

In addition to transfers and social services, wage policy, particularly the minimum wage, is a crucial component of social democratic policy, since it is an expression of solidarity and a central determinant of the ability of families to escape poverty. In the case of both Chile and Uruguay, left governments have used wage policy as an important tool in the fight against poverty and inequality.

The center-left Concertación government increased the minimum wage annually since 1990, nearly doubling its value (in real purchasing power) (Marinakis and Velasco 2006, 171). The Lagos administration, like previous Concertación governments, enacted annual increases to the minimum wage, raising its value from US$200 to US$255 per month between 2001 and 2005.[19] President Bachelet continued the policy of annual increases, and as of 2009 the wage had reached US$330 per month ("Congreso ratificó" 2009).

The value of Uruguay's minimum wage declined precipitously beginning in the 1970s and by the late 1990s was worth only about one-quarter of its original value (Furtado 2006, 263). As a result, the minimum wage became increasingly unimportant as a tool for regulating the labor market. In 2003 it was estimated that less than

3% of the workforce earned the equivalent of one minimum wage, down from 30% of workers in 1986.

The wage situation was further worsened following a decision by National Party president Luis Alberto Lacalle in 1992 to withdraw the state from salary councils. These tripartite councils were first established in 1943, suspended during the rule of the authoritarian government that was in power between 1973 and 1984, and re-established by the first democratic government in 1985. As a result of state withdrawal, collective wage agreements at the sector level declined significantly, covering far fewer workers. While collective agreements represented 94% of all wage accords during the 1985–89 period, they represented a mere 7% of agreements in 2003 (Furtado 2006, 276).

The FA government moved quickly to reestablish the practice of tripartite salary councils and introduced collective negotiations for two sectors that had previously been excluded from the practice: rural and public-sector workers (Uruguayan Ministry of Labor 2006). The government also attempted to include domestic workers, but that move failed because of the lack of "employer" representation. The return to collective negotiations was part of the FA's overall commitment to revaluing private-sector salaries, which had fallen as a result of economic decline and the crisis of 2002. The salary councils have largely been a success, with wage increases not only accounting for inflation but also including a 2–4% salary recovery in 2005 and a 1.5–5.5% recovery in 2006. The sectors experiencing the most significant growth are precisely those where wage decline had been most severe.[20]

The reinstatement of collective tripartite negotiation sought to achieve more than wage growth. A minister of the Vázquez government indicated that the FA hoped the wage councils would pave the way for a more coordinated relationship between the state, employers, and workers.[21] As Lanzaro makes clear in chapter 15, on Uruguay, the reinstatement of the salary councils also led to growth of unionization in the private sector. Thus, the reinvigoration of the wage councils constitutes a step in the direction of social democratic corporatism, a strong institutional underpinning of social democratic welfare states (Swank 2002).

Tax Policy

Tax policy is also important for understanding the movement toward a social democratic welfare state. The tax capacity of a state directly affects its ability to sustain a broad network of social protection.[22] In the case of Chile, the most significant tax reform since the return to democracy was carried out in 1990 by the Christian Democratic administration of President Patricio Aylwin. The reform increased the value

added tax (VAT) from 16% to 18%, increased some income tax rates and readjusted the brackets, and increased the corporate tax rate from 10% to 15%.[23] Originally, the government had sought to increase the corporate tax from 10% to 20%, but after lengthy negotiations with the right-wing National Renovation (RN) party and the business sector, the Aylwin administration settled for the compromise of 15%. Another condition of the agreement between the government and the right-wing party was that the tax increases were temporary, valid only until 1994.[24] When the law was renegotiated in 1993, the government was able to maintain the 15% corporate tax and the 18% VAT, but it was agreed that the VAT would be reduced to 17% in 1996.[25] The individual income tax rate on the highest tax bracket was, however, reduced in the 1993 version of the law.[26]

Upon taking office in 2000, President Lagos initiated a reform aimed at increasing tax revenue by clamping down on evasion and upping the corporate tax rate to 20%. However, he had to settle for 17% (Fairfield 2007, 13). Later he raised the value of the VAT by one percentage point to finance Chile Solidario and AUGE. The VAT increase was approved through 2006, and President Bachelet was successful in extending the increase, thereby providing additional support to Chile Solidario and AUGE for her term in office.

Uruguay's FA government faced quite a different situation from that of the Lagos administration when it came to office in 2005. Unlike Chile, Uruguay did not have a progressive income tax; it relied instead on a complicated system of taxes that drew heavily on indirect forms of collection (Amarante, Arim, and Salas 2007). One of the first projects of the new left government was to reform the regressive and complicated tax system. In 2005 President Vázquez introduced a bill that created an individual income tax and streamlined several other taxes into a simplified system that rests on three main sources of revenue: the corporate income tax, the individual income tax, and the VAT. The reform aimed to slowly reduce the country's VAT, which stood at 23%, while introducing an individual income tax for the first time in Uruguay's history. The proposed reform did not seek to generate new revenue but to create a more effective and equitable system. The legislation received fierce opposition from the country's traditional parties but ultimately took effect in June 2007. Opposition to the tax reform continued to be quite strong, and in October 2007 a group of pensioners challenged the constitutionality of the law; the Supreme Court ruled that it was unconstitutional to tax pensions as regular income. In response to this, the government passed a new tax that applies specifically to pensions.[27]

Early analyses of the new tax system suggest that, despite resistance, it is functioning well and is significantly more progressive than the previous system (Amarante, Arim, and Salas 2007, 60). The VAT was decreased from 23% to 22% in June 2007. Additionally, Finance Minister Danilo Astori announced that the government would,

by mid-year 2008, increase the income level below which households are exempted from the individual income tax (Cuenca 2007).

Explaining Different Outcomes: Ideology, Left Party Organization, the Strength of the Opposition, and Policy Legacies

Whereas left governments in both Chile and Uruguay have made important reforms to transfer, education, health care, wage, and tax policies, they vary with regard to the scope of the reforms. Overall, with the exception of education policy, the FA has been more ambitious in its policymaking than the Socialist Party–led governments in Chile. These differences are the result of a combination of elite ideology, party structure, the nature of the opposition, and policy legacies.

Ideology

We use the concept of ideology to denote a vision of the deficiencies of the present social order, of the contours of a desirable social order, and of the strategy to get there from here. The core leaderships of the Left in Chile and Uruguay differ above all in their visions of strategy, which in turn were shaped by their historical experience. The Chilean leadership of the renovated PS, formed by the experience of the Allende years and their time in exile (Roberts 1998), holds a deep aversion to popular mobilization, which they see as generating pressures for populist policies and as potentially destabilizing. In contrast, the leadership of the FA during their long years in opposition learned to rely on popular mobilization to pressure for reforms or to oppose reform attempts of the incumbents. Accordingly, they formed very different relationships to civil society: the Chilean leadership kept organized popular groups at arm's length, and the Uruguayan leadership forged close ties with them.

A further crucial difference to keep in mind is that the Frente is an alliance of left groups, whereas the Concertación is a coalition of center and left groups. Although the main ideological divide at Chile's mass and elite levels since the beginning of the transition has been between the prodemocracy and the pro-Pinochet camp, rather than between a neoliberal and a state interventionist camp (Fuentes 1999; Luna and Zechmeister 2005; Luna 2006; Ruiz Rodríguez 2006), there are consistent differences at the level of political elites between the Concertación and the Alianza as well as within the Concertación parties, between those embracing the market and those preferring a stronger role of the state. Data from three waves of interviews with members of parliament show that Chile's political elites place parties and themselves on a left-right scale, with the Christian Democratic Party (PDC) located in a centrist

position and the PS and the Party for Democracy (PPD) further to the left. Both party placement and self-placement correlate with preferences regarding the relative weights of state and market (Luna 2006; Ruiz Rodríguez 2006). The differences between the Concertación and the Alianza are not large, but they are consistent over the three periods (1993–97, 1997–2001, and 2001–5). Another factor that divides the Concertación parties is religiosity and moral conservatism, where members of the PDC indicate a higher degree of religiosity than all other parties except the Independent Democratic Union (UDI) (Ruiz Rodríguez 2006, 93). This fact has important implications for social policy, particularly in the area of gender equality.

Pribble (2008) finds clear evidence of the existence of a "market-friendly" and "statist" sector within the PS and other Concertación parties. In 20 of 25 interviews with Concertación elites in which the question about internal divisions was asked, the respondents identified the "liberal" and "statist" cleavage as the primary fissure within the coalition. Moreover, Pribble (2008) finds that the market-friendly sector of the Concertación enjoyed special access to positions of power during the Aylwin, Eduardo Frei, and Lagos governments.

The market-friendly sector of the PS favors policies that prioritize cost-containment and macroeconomic stability, while pursuing equity as a secondary goal. This does not mean that this sector disregards the goal of equity; to the contrary, this sector of the PS is highly committed to poverty reduction and increasing equality, but its approach to resolving these problems is rooted in market-based solutions, and thus it places cost-containment and macroeconomic goals first.

The different political experience of the FA leadership and its long period in opposition meant that the party did not pass through a process of "renovation" similar to that experienced by the Chilean PS. While some sectors of the FA have moderated their positions and adopted a more market-friendly position since the early 1970s, others continue to uphold a strong statist position. This is not to say that these fractions of the FA have not become more moderate with the passing of time. As noted by Lanzaro (2004a) and Luna (2006), the groups have moved toward the center, but we contend that this movement is minor compared to the transformation of Chile's PS.

Party Structure

The left parties in Chile and Uruguay are both programmatic in their orientation, appealing to voters on the basis of ideology and issue positions.[28] However, Uruguay's FA is organic in its structure, with semi-institutionalized systems for consultation and coordination between base organizations and the party elite. This structure was strengthened during its time in opposition, when it relied on relationships with the labor movement specifically and with civil society organizations more generally.

The party promotes participation, and the relationship between elites and voters is maintained in nonelection years. This consultation is carried out by means of direct democracy mechanisms, small territorial committees, a national "plenario," and the "mesa política" (Frente Amplio 2007). These committees meet regularly to debate proposals and government plans, carry out decisions made during the party congress, and set party objectives and strategy (Pribble 2008). The fractionalized character of the FA further strengthens the tie between voters and party elites, as different lists within the party are in constant competition over leadership roles.[29]

The Chilean PS has much weaker ties to its voting base and fewer practices aimed at promoting participation and consultation. Because of this weak link, the PS elite enjoys greater autonomy from militants and organized interests when formulating policy. The policy outputs, therefore, more directly represent the interests and preferences of the elite. Indeed, the society-party tie emerges as important during electoral periods but tends to fade between elections. Handlin and Collier's data (chapter 6) nicely underline this contrast, showing the importance of direct contacts through meetings and other party work and linkages with unions of left party activists in Uruguay, compared to their absence or weakness in Chile.

The electoral-professional character of the PS empowers the market-friendly (renovated) sector of the party, while limiting the clout of the more traditional statist sector. This is because the source of the statist sector's power rests in its connection to base organizations and its ability to mobilize citizens. The AUGE reform, for instance, was heavily influenced by the electoral-professional structure of the PS. The primary impetus cited by politicians involved in the formation of the new system was the economic inefficiency generated by "risk skimming" and concern among Concertación economists about the state's continuing to cover the risk passed on from the private sector (Pribble 2008). While economic concerns helped prompt the reform, they also imposed limits on the scope of AUGE. Indeed, one Health Ministry official reported that he and other bureaucrats had pushed for a broader project and an accompanying tax to fund a universal system, but because of the cost and the need for a tax increase, the Finance Ministry resisted, citing potential downfalls for economic performance.[30]

Unlike the structure of the PS, the FA's mass-organic structure does not concentrate power but rather disperses it among the party's distinct sectors. Since the FA relies on mobilization as an electoral tool, the role of unions and other organized interests is of particular importance and such groups enjoy a special level of representation. Many of these organized interest groups prefer a state-led model of development and thus strengthen the more traditional sector of the Left vis-à-vis market-friendly forces within the party.

The fact that the FA's structure empowers sectors of the party that favor a more

statist approach to development helps explain aspects of the country's health care reform. Specifically, it sheds light on why the party was able to create a national health fund that pools public- and private-sector users, whereas the Lagos administration was unable to accomplish that goal. It also explains why economic and fiscal concerns were not the primary motivation for the reform. Indeed, when asked about the impetus for the reform, no FA policymakers cited cost-containment; instead, participants in the policy debate pointed to issues of equality and poverty.[31]

While the FA achieved an equity-enhancing reform in the health care arena, where there were many stakeholders with dispersed interests, the party's close ties to unions, in particular the teachers' unions, have influenced education policy in a different manner. As noted previously, apart from a significant increase in state expenditure, Uruguay's left government has done nothing to reform the education sector. The teachers' unions occupy a pivotal position in this sector, and their goal is to reduce the oversight of the state and increase the autonomy of teachers in the administration of education. Other sectors of the FA, however, argue for the need to reorganize the curriculum, alter the system for appointing teachers to schools, rework teacher training, and generate pay incentives for educators in high-risk schools. As a result, significant internal divisions have emerged and reform initiatives have stalled. Thus, the arena of education reveals how a mass-organic base that empowers organized interests can inhibit reform by empowering "veto" actors.[32]

The education policy reforms engaged by the Bachelet government in Chile again exhibit the imprint of the Concertación parties' electoral-professional organizational structure. While the differential subsidy payment and the bill to reform LOCE both mark important progress in the area of education, other elements of the reforms reflect the market-friendly priorities of the party elite. The differentiated voucher payment for low-income students is a case in point. The more traditional-statist sectors of the party as well as teachers' unions and student organizations favored a reform that explicitly supported the public municipal schools, but this was rejected for a system that funds poor students regardless of the school they attend. As a result, the reform will provide funds to private subsidized schools as well as strictly public municipal schools. Indeed, while a portion of the PS party base is committed to reversing the system of municipalized public education, the Concertación party elites have removed the issue from the agenda (Dalgalarrando 2007).

The distinct organizational character of the PS and that of the FA also explain the variation in the recent noncontributory social assistance programs. As mentioned previously, the Lagos administration created Chile Solidario, a program that aims specifically to address the challenges and needs of indigent families. The policy was drawn up by a group of 21 technocrats and involved no consultation with base organizations.[33] One of President Lagos's advisers explained that the process sought to avoid

political influences from parties: "That's the exact logic that we wanted to get rid of; the idea that whoever shouts the loudest gets what he wants is a bad idea. . . . No president can govern above parties, but he [Lagos] definitely wanted to maintain autonomy. He didn't want to be reliant on them."[34]

Uruguay's FA created a system of targeted assistance to families living in extreme poverty that was similar to Chile Solidario except that it was set up as an "emergency" program and was eventually phased out as needy families were integrated into a universal program called the Equity Plan. The fact that Uruguay's FA opted to address the issue of poverty by creating a universal network of protection available to all individuals, rather than continue with a small targeted program, reflects the breadth and power of the party's base in shaping policy choices.

A representative from Uruguay's Social Development Ministry offered evidence of the importance of party consultation and debate in formulating the Equity Plan: "There is a strong belief in the party [base] in an ideology that emphasizes universalism and so we [party elites] knew that we had to set an end-point for PANES. . . . Our end goal is clearly to revive the neediest groups and provide them with a level of well-being so that they can use universal services."[35]

Strength of the Opposition and Policy Legacies

The nature of the right-wing opposition parties in Chile and Uruguay further helps to explain variation in social policy outputs. While Chile's PS (and Concertación more broadly) faces a very strong rightist block of parties, the Uruguayan FA faces two greatly weakened opposition parties (the Blancos and the Colorados). In addition to their poor electoral performance in recent elections, Uruguay's traditional parties are more ideologically moderate than the Chilean Right, as they are internally fragmented by fractions with divergent ideological tendencies. Moreover, Chile's business community is highly organized and tightly aligned with the country's right-wing parties, thus strengthening their power. In Uruguay, by contrast, the business sector is divided between different organizations that have ties to distinct party fractions.

Political institutional factors strengthen the Right in Chile. Until the end of the Lagos government, designated senators inflated the parliamentary strength of the Right, and the binomial electoral system continues to inflate its seat allocation. On the other hand, the FA also faces a potential institutional constraint, the referendum. Referenda bias policy outcomes toward the status quo, as they can be (and are) used by opponents to block change.

Chile's two right-wing parties, overrepresented because of the institutional legacies of the dictatorship and with institutionalized ties to a unified business sector, have imposed significant limitations on the PS governments of presidents Lagos

and Bachelet. One policy area where the constraining effect of the right-wing coalition is particularly apparent is tax policy. As mentioned earlier, the Lagos government attempted to increase the corporate income tax in 2001 with limited success. Although the rate was raised from 15% to 17%, this number remained well below what the president and his finance minister preferred (Fairfield 2007). In an analysis of the reform, Fairfield notes that in negotiations over the proposal, the Right and business organizations were able to reduce the proposed rate from 18% to 17%. She further argues that the united opposition from the Right and business also moved the debate "significantly toward business and the right's end of the spectrum, removing important reforms from the agenda that government leaders may otherwise have sought to enact" (18).

The power of Chile's rightist opposition parties also had clear effects on the country's AUGE health care reform (Dávila 2005). In this instance, the rightist alliance, in partnership with private insurance companies, was able to strip the bill of its strongest equity-enhancing feature, the solidarity fund, which would have pooled income and risk between the public and private sectors. The maternity fund was also removed, as were proposed tax increases on alcohol and tobacco.

The power of the opposition parties in Chile appears to be strongest when the issue in question promotes the involvement of the country's business sector (as was the case in both the tax reform and AUGE). By contrast, for matters where the business sector is not directly affected, as was the case with opposition to Chile Solidario, the conservative parties appear to be less successful at altering policy. This pattern is confirmed in the case of Bachelet's pension reform. The only major change that the rightist parties enacted in this bill was the elimination of an article that would have provided for a government-run AFP. That article was arguably the issue that most directly affected the business community (pension fund administrators in particular). In Uruguay, the opposition parties were vocal opponents to both the tax and health care reform, but they were unable to mobilize resistance to the measures among the general population, and they lack strong ties to business.

Finally, the left governments in the two countries have faced different legacies in social policy. In general, as a result of the Pinochet reforms, private providers have assumed a strong presence in health, education, and pension provision in Chile. Moreover, the ISAPREs and AFPs are for-profit businesses, a fact that fosters a resolute opposition to an expansion of the state's role, particularly in redistributing costs and thus reducing their profits. This also enables them to mobilize the business community to protect their interests by appealing to business interests in protection of contracts and investor confidence. In Uruguay, the private health companies also play a very large role, but the firms are nonprofit organizations and thus do not enjoy protection from powerful business allies.

Conclusion

The left governments in both Chile and Uruguay have undertaken important reforms in health care and transfer systems that bear the traits of universalistic, citizenship-based, social democratic welfare states. The reforms of health care in both countries and of pensions in Chile and family allowances in Uruguay are designed to benefit a majority of the population, and it is safe to assume that they will generate their own support bases and thus become politically sustainable. If the experience of well-developed welfare states is any guide, it will be very difficult for right-wing governments to cut back these programs in a democratic context.

The critical sector where reform has fallen short is education. This has negative implications for inequality and thus further progress toward a social democratic model in the medium term and the long run. Dropout rates among the poorer sectors remain very high in Uruguay, and in Chile the chances for a student from municipal schools to make it to university remain virtually nil. In both countries, serious efforts are under way to expand and improve preschool education, but public primary and secondary schools themselves need to be improved as well. To the extent that transfer policies and support for women's employment (in the form of day care and preschool education) reduce poverty among the parents' generation, children are more likely to be able to take advantage of improved schools and acquire the human capital necessary to escape the poverty trap.

In comparative perspective, we can say that, compared to left governments in other Latin American countries, the left governments in Chile and Uruguay broke more clearly with neoliberal residualism in social policy by extending social protection and health care to larger sectors and/or by putting these programs on a more solid financial basis. For instance, Bolsa Família, the flagship program of the Workers' Party (PT) in Brazil, reached about one-quarter of the population, compared to one-third affected by the Equity Plan. Chile's solidarity pensions are available to the lowest 60% of income earners. The *misiones* in Venezuela reportedly reached a large proportion of the population also, but they were financed by oil revenue and thus highly vulnerable to cutbacks with the economic crisis. In both Chile and Uruguay, the left governments tapped revenue sources from taxation or from reserves in a stabilization fund to finance their reforms.

NOTES

1. We have taken such a larger view in our analysis of Chile elsewhere (Huber, Pribble, and Stephens 2010).

2. Interviews by Jennifer Pribble of persons associated with the Chilean government: a presidential adviser, May 23, June 6, 2006; a former president, November 15, 2006; a high

official in the Ministerio de Planificación (MIDEPLAN), August 18, 2005; a high official in the office of the president, August 12, 2005; a high official in the Ministry of Finance, August 19, 2005; a participant in Chile Solidario Reform Planning, August 24, 2005, all in Santiago, Chile.

3. MIDEPLAN 2004; Government of Chile 2007. This and subsequent values are based on an exchange rate of 500 pesos to the dollar.

4. The two benefits will be implemented gradually (Government of Chile, www.gobiernodechile.cl/reforma_previsional/sistema.html).

5. Government of Chile, www.gobiernodechile.cl/reforma_previsional/cobertura_jovenes.html.

6. Defined as a household with an income lower than the value of the basic nutritional basket as of March 1, 2005 (Government of Uruguay, www.mides.gub.uy/panes/junio-05.htm).

7. This and all subsequent values are based on an exchange rate of 23 Uruguayan Pesos to the dollar.

8. Interviews by Jennifer Pribble of an official and a high official in the Social Development Ministry of Uruguay, October 31 and 25, 2006, respectively, Montevideo.

9. Interviews by Jennifer Pribble of a high official in the Budgeting Office, November 8, 2006, Montevideo, Uruguay; and of a participant in the Education Reform Team, August 22, 2006, Santiago, Chile.

10. Chile has the lowest female labor force participation rate in Latin America. Uruguay already has a universal system of preschool education, which was established by the 1995 education reform enacted during the Sanguinetti government and has broad coverage.

11. Risk skimming is costly for the state because earners of high income tend to use private coverage during their working lives, and their contributions are channeled directly to the private sector. When these individuals reach an older age, presenting a greater risk, the cost of private coverage is often so high that they turn to the public sector for care. The private providers, therefore, receive funds during the productive period of an individual's life but typically do not incur the health costs as that individual grows older.

12. In its original form, the guaranteed coverage of all 56 illnesses would have become effective immediately (Dávila 2005).

13. This increase was also levied to fund Chile Solidario.

14. Under Uruguayan law, employers contribute 5% toward health care. This differs from Chile, where employers bear no cost.

15. This choice is available to individuals registering for the first time (including the children joining the system). For individuals who had already chosen a health care provider at the time of the reform, the government has established certain periods during which individuals can change providers. Citizens also have the option of obtaining service with for-profit private insurance companies. The cost of affiliating with such firms is not regulated by the state, and the individual citizen must cover the difference between the state's subsidy and the cost of the coverage.

16. The law prohibits private insurance companies from denying coverage and from providing partial coverage, ensuring that individuals with preexisting conditions or a high-risk profile, or both, will not be discriminated against.

17. *Sistema Nacional Integrado de Salud,* law no. 18.211, art. 61, 2007, Government of Uruguay.

18. The same is true in Chile.

19. *Reajusta el monto del ingreso mínimo mensual,* law no. 19.729, 2001; *Reajusta el monto del ingreso mínimo mensual,* law no. 20.039, 2005, Government of Chile.

20. Interview by Jennifer Pribble of a high official in the Ministry of Labor, March 15, 2007, Montevideo, Uruguay.

21. Ibid.

22. Latin American states tend to undertax their populations (IADB 1996; Gómez-Sabaini 2006). Specifically, states in the region imposed an average tax burden of just 15% of GDP during the 1990–2005 period (Gómez-Sabaini 2006, 16). This differs significantly from the average tax burden in Organisation for Economic Co-operation and Development (OECD) countries, which was equal to 36.3% of GDP in 2000 (20).

23. *Establece Normas Sobre Reforma Tributaria,* law no. 18.985, transitory art. 2, 1990, Government of Chile. The law created five tax brackets that paid 5%, 15%, 25%, 35%, and 50%, respectively.

24. Law no. 18.985 of 1990.

25. In 1996 the VAT was maintained and the funds were earmarked for President Frei's education reform.

26. *Introduce modificaciones a la ley sobre impuesto a la renta; modifica tasa del impuesto al valor agregado; establece beneficio a las donaciones con fines educacionales y modifica otros texto legales que indica,* law no. 19.247, 1993, Government of Chile.

27. *Régimen Tributario de las Jubilaciones y Pensiones,* law no. 18,314, 2008, Government of Uruguay. This law sets the threshold above which pensions will be taxed slightly higher than the original income tax.

28. As Luna (2006) shows, this is becoming less true at the grassroots level in poorer areas. The Left has been constrained to compete with the UDI in providing particularistic benefits. The UDI is providing services funded by private money and party volunteers, and the Left is relying on a combination of volunteer efforts and access to municipal governments. At the national level and in districts with higher socioeconomic composition, the parties remain programmatic.

29. All of Uruguay's political parties are made up of competing fractions or lists, which vie for party leadership. This tendency is fostered by the country's double-simultaneous vote in congressional elections and the system of proportional representation. Although the 1996 electoral reform required parties to select one presidential candidate per party (through primary elections), the change had little effect for the FA, which had already institutionalized such a practice. To date, leadership within the FA has been fluid (Piñeiro and Yaffé 2004).

30. Interview by Jennifer Pribble of a high official in the Health Ministry, May 24, 2006, Santiago, Chile.

31. Interviews by Jennifer Pribble of persons associated with the Uruguayan government: an official and a high official in the Health Ministry, April 23, 2007, and November 28, 2006, respectively; a Frente Amplio senator, March 16, 2007; and a Frente Amplio deputy, November 1, 2006, all in Montevideo, Uruguay. All members of the AUGE reform team in Chile made reference to the impetus generated by economic inefficiencies built into the system (Pribble 2008).

32. Interviews by Jennifer Pribble of a Frente Amplio senator, March 16, 2007; and a Frente Amplio deputy, October 26, December 5, 2006, Montevideo, Uruguay.

33. Interview by Jennifer Pribble of a high official in the office of the president, August 12, 2005, Santiago, Chile.

34. Interview by Jennifer Pribble of a presidential adviser, June 6, 2006, Santiago, Chile.

35. Interview by Jennifer Pribble of an official in the Social Development Ministry, October 31, 2006, Montevideo, Uruguay.

CHAPTER SIX

The Diversity of Left Party Linkages and Competitive Advantages

SAMUEL HANDLIN AND RUTH BERINS COLLIER

The role of political parties as important organizational intermediaries between state and society in democratic regimes calls for analytic attention to the nature and strength of the linkages they form with mass constituencies. This topic is central for studies of contemporary Latin American politics, especially the "left turn" in the region, because of the considerable changes that have occurred in the party/electoral arena over the past two decades. The recent electoral victories of different kinds of left parties have taken place within a context in which all parties have been adapting their linkage repertoires to best suit the new electoral environment of the neoliberal era. To understand the "left turn," then, we must view it within this context of party linkage adaptation and reinvention.

The process of linkage change and adaptation has been especially significant and acute for left parties, which traditionally relied on organizational linkages with labor unions. Indeed, the model of the mass party—its invention as a new sociopolitical "technology"—was the labor-based party (LBP), that is, the union-affiliated party. While not all LBPs in the region were leftist, nearly all major left parties were LBPs. In the contemporary period, left party linkages to popular organizations have been challenged from two directions: changes in party campaign and mobilizational strategies and changes in the nature of popular organizations themselves. First, parallel to patterns in other countries, parties in the region have de-emphasized activities targeted toward specific social constituencies through organic organizational linkages, in favor of appeals to individuals through mass media, often driven by increasingly sophisticated polling techniques. These atomized strategies differ most from those traditionally employed by LBPs, which confront the difficult process of adapting or reorienting their linkages with unions, an inconvenient support group to rely upon and court when governing in neoliberal times. The second change regards the popular organizations with which left parties might form linkages. Not only have unions been put on the defensive by the new political economy, but recent decades

have witnessed the proliferation and increasing importance of popular associations—community-based associations and nongovernmental organizations—as vehicles for popular-sector interest representation, constituting a shift in the "popular interest regime" in the region (Collier and Handlin 2009a). These organizations often want greater autonomy from the state and instrumental rather than organic relations to political parties. Accompanying these changes of both political parties and popular organizations, then, has been a change in the nature of party-organization linkages: they have become more diversified, less organic, and more instrumental.

This chapter analyzes how governing left parties in South America have adapted their linkage repertoires under these new circumstances and provides a preliminary explanation for cross-national variation among them. Four left parties or blocs are examined: the Partido dos Trabalhadores (PT) in Brazil, the Socialist bloc of the Partido Socialista and Partido por la Democracia (PS and PPD) in Chile, the Frente Amplio (FA) in Uruguay, and the parties forming the Partido Socialista Unido de Venezuela (PSUV) in Venezuela.[1] We focus empirical analysis of left party linkage not on left parties themselves but on cross-national survey data from the Americas Barometer, commissioned in 2006 and 2007 by the Latin American Public Opinion Project (LAPOP).

We examine three kinds of party-society linkages. The first is psychological linkages, operationalized as the incidence of party identification for each left party. The second concerns the party on the ground, or the direct-contact linkages that parties make with individuals: the frequency with which left parties engage citizens by attracting them to party meetings and by recruiting them to work for parties or candidates during campaigns. The third, the party in society, is organizational linkages. We examine these linkages not in terms of the older model of more organic organizational affiliation or coordination, but in terms of a looser and presumably more autonomous type of "shared-member" linkage (Seawright 2009). At issue here is whether partisans of left parties participate in societal organizations disproportionately in a manner that suggests that social organizations may act as vehicles for broadening partisan support.

Our focus is on cross-national comparisons of the four left parties or blocs, viewed in terms of the overall *level* of these three linkages and in terms of the linkage *advantages* they hold over their competitors. One general observation is that level and competitive advantage correspond very tightly: the four left parties or blocs of parties display strikingly different linkage patterns, but these seem to be characteristics of the parties themselves, not just reflections of different electoral environments across the four countries that may also affect party competitors. Put another way, the cross-national variation in the competitive advantage of left parties is more a result of their linkage strategies than of the linkage patterns of their competitors, which vary much

less across countries. Our basic finding lies in the contrast between Brazil and Chile, on the one hand, and Uruguay and Venezuela, on the other. All three types of linkages are limited in Brazil and Chile but more extensive in Venezuela and Uruguay; the notable difference between the latter two is that in Venezuela organizational linkages are primarily with popular associations and in Uruguay with labor unions. These findings do not correspond to Levitsky and Roberts's typology in the introduction but rather suggest that the linkage strategies are independent of party organizational characteristics that form the basis of that typological classification: more extensive linkages may be developed by parties with institutionalized organizations and dispersed centers of power, or with relatively uninstitutionalized organizations and power concentrated in the hands of a leader like Hugo Chávez and a close coterie of his advisers.

In the last section of the chapter, we offer a preliminary explanation for these differences, focusing on party-system characteristics. We suggest that party-system fractionalization can help explain the difference between the Lefts in Brazil and Chile, on the one hand, and in Uruguay and Venezuela, on the other. High fractionalization, as in the former pair, creates incentives for pacting in order to win elections and craft legislative coalitions, and these electoral and coalitional strategies may make linkages through basist mobilization inconvenient and favor moderate party factions more oriented toward electoral-professional orientation. The latter pair, by contrast, have more robust linkages but differ in their choice of social organizational alliance partners. We suggest that the choice of unions in Uruguay and popular associations in Venezuela may be attributed to party-system continuity. Only in Venezuela did dramatic discontinuity create an incentive and a space to craft new structures of support mobilization.

Psychological Linkages

We start with an examination of psychological linkages between citizens and parties. While democratic regimes have once again become widespread in Latin America, the nature and quality of political representation through the electoral process has been an ongoing concern for analysts. Subjective representation is one facet, and we may explore it through party identification, which reflects the success of parties at fostering psychological attachments among citizens. Levels of party identification in the region are generally low compared to the older democracies, and citizens express low levels of confidence in parties as problem-solving agents (Collier and Handlin 2009c, 59). From the perspective of parties, of course, party identification is important because it helps deliver the vote. We ask two questions: How do parties or blocs of the Left vary in levels of party identification? Have they managed to achieve competitive advantages over their electoral competitors with respect to party identification? In pursuing

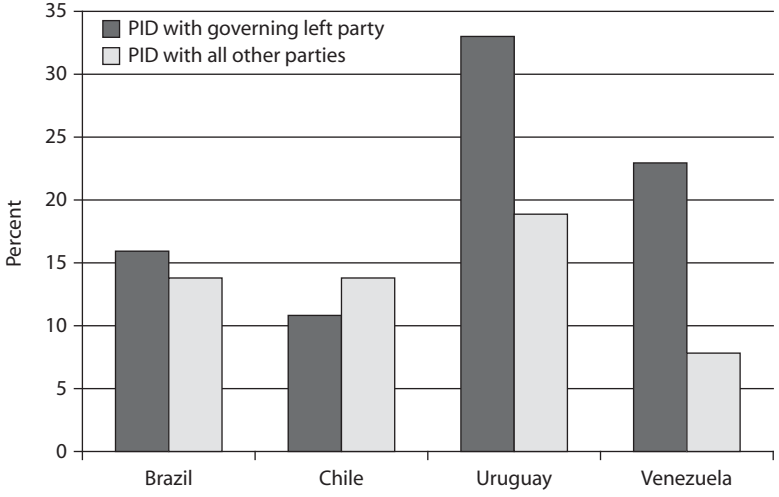


Fig. 6.1. Rates of Party Identification (PID). Data reflect responses to the question "With which party do you sympathize?" *Source:* Latin American Public Opinion Project's America's Barometer, 2006–7.

this question of competitive advantage, we compare the Left to the aggregate for all other competing parties. Although this is a very difficult "test," it is appropriate as a comparative benchmark since the extent of this gap does indeed distinguish among the Lefts in the countries under consideration here.

The data in figure 6.1 show quite disparate levels of partisanship across these governing left parties, from a low in Chile to a high in Uruguay. In considering these differences, party age does not seem strongly determinative. The Frente Amplio (FA) in Uruguay, an electoral front increasingly operating as a unified party, dates to the early 1970s but was founded on elements of the historical Left. Much the same can be said of the left bloc in Chile, which also has origins in the historical socialist Left. Yet these two display the greatest contrast in party identification. Similarly, while the left parties in Brazil and, especially, Venezuela are younger, they also differ in their level of party identifiers, with the newer Venezuelan party attracting more partisans than the older PT in Brazil.

Another contrast is the partisan gap between the Left and other parties. Given that this analysis is limited to *governing* left parties, and hence electoral support is higher for these parties, one might expect party identification also to be higher than for any other party. The extent to which that is the case, however, is quite striking. Figure 6.1 demonstrates that in three of the four countries, the major left party attracts more partisans than all other parties in the system combined. This striking finding clearly underestimates the left advantage, given that it is based on a comparison in which the

competitors in each country are aggregated. The disparity is particularly stunning in Uruguay, where the FA confronts the Partido Colorado and the Partido Nacional, two of Latin America's oldest and most entrenched parties, which continue to command strong attachments among the population. The advantage of the Left is even more pronounced in Venezuela; however, it is less surprising, given the decline of both of the traditional Punto Fijo parties (as well as newer entrants like the Movimiento al Socialismo [MAS] and La Causa R [LCR]) before the ascendance of Chávez to the presidency. A much smaller left advantage is apparent in Brazil. Still, a greater proportion of the population identifies with the PT than with the other 14 parties combined that were mentioned by respondents in the LAPOP survey. In Chile, in contrast to these other cases, the Socialist bloc does not enjoy this kind of partisan identification gap when compared to all other parties combined. The lower level of left party identification in Chile may result from the fact that the Left has governed as part of the Concertación coalition and has thus done little to distinguish itself from the Center either electorally or programmatically.

A key point is that differences in the level of party identification for left parties or blocs covary with the gap between left parties or blocs and their competitors. It thus seems unlikely to be the case that the Left in Uruguay and Venezuela attract the highest levels of party identification because citizenries in those countries are more generally prone to identifying with political parties. Rather, it appears that the gap results because of the success of the Left in attracting loyalty and that cross-national differences in the gap are primarily due to cross-national differences in the Left itself.

Direct-Contact Linkages

A second form of linkage refers to party activities on the ground. To some extent, Latin American parties have been part of a more general movement, also occurring in the old democracies, away from what may be called "direct-contact linkages" with citizens and in favor of other strategies for mobilizing support. Parties have increasingly adopted more "distant," media-centric approaches based on the mass marketing of candidates through the use of images, celebrity, and personality (Panebianco 1988; Kirchheimer 1990; Roberts 1995; Weyland 1999a; Lawson and McCann 2005). Reflecting new research on presidential elections in Chile, Peru, and Brazil, Boas (2009, 3) reports, "Candidates have increasingly adopted new campaign technologies and strategies. . . . they have also moved away from the use of party structures, interest organizations, and other intermediary institutions as ways to reach the electorate during campaigns" (see also Novaro 1994; Hagopian 1998; Manz and Zuazo 1998; Olavarría 2003).

How has this general trend unfolded for left parties and movements? On the one

hand, their recent electoral success appears to have been achieved partly by successfully adopting new forms of voter outreach and electoral mobilization. The left parties in Chile and Brazil have crafted innovative media-driven campaign strategies that have been essential to winning presidential elections. In Venezuela, Chávez is nearly ubiquitous on television, both on his regular *Aló Presidente* program and in other frequent appearances. Yet despite the overall trend toward a decline in direct-contact linkages, traditional forms of on-the-ground mobilization still play a role. The Brazilian PT has been described as a "mass bureaucratic" party, marked by relatively extensive expansion of membership and party activism (Samuels 2004). In Venezuela, the Movimiento Quinta República (MVR) quickly developed a substantial organizational presence, and the ongoing process of constructing the PSUV represents a stunningly ambitious party-building project by regional standards.

We explore the same two questions as in the previous section: How do left parties differ in their level of direct-contact linkages, and how do they differ in terms of the gap with their competitors in this respect? Available survey data for addressing direct party linkages are unfortunately limited. Neither LAPOP nor other major cross-national surveys include questions on participation in the activities of specific parties; they provide data on party activism, but we are unable to identify which party is involved. A pragmatic solution is to examine the proportion of respondents in each country who both are left partisans and report party activism, a measure that



Fig. 6.2. Direct contact through meeting attendance. Data reflect responses to the question "Do you attend meetings of a political party or movement at least once a week, once or twice a month, once or twice a year, or never?" *Source:* Latin American Public Opinion Project's America's Barometer, 2006–7.

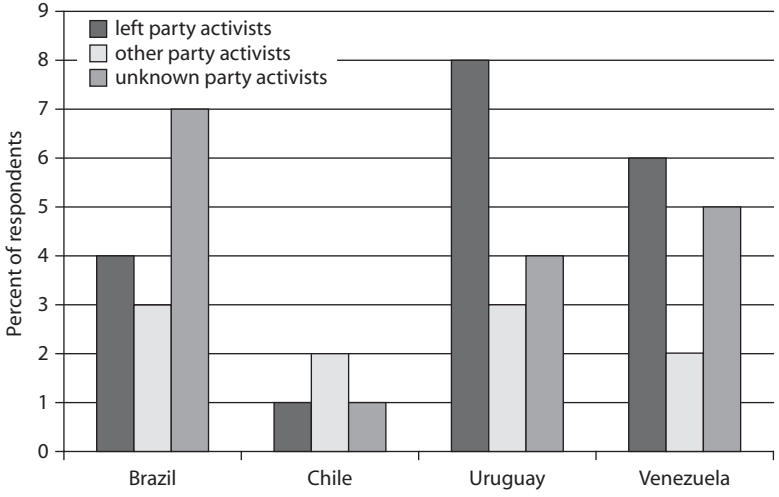


Fig. 6.3. Direct contact through party work. Data reflect responses to the question "Did you work for a candidate or party in the last presidential election?" *Source:* Latin American Public Opinion Project's America's Barometer, 2006–7.

gives us a baseline estimate of the incidence of direct-contact linkages for left parties, since it is reasonable to conclude that left partisans who engage in party activism will do so for left parties. We can compare this result to the proportion of respondents who are partisans of other parties and who also engage in party activism, in order to get a sense of any relative advantage the Left may enjoy over other parties in terms of direct-contact linkages. In figures 6.2 and 6.3, we also display the proportion of respondents who are not partisans but nevertheless engage in party activism. For these respondents activism is distributed in some unknown fashion among left and other parties. Although we cannot make assumptions about that distribution, this third category gives a sense of the degree to which the other two categories, in the aggregate, are underestimated.[2]

Figures 6.2 and 6.3 display data regarding direct contact through party meetings and working for parties or candidates. As with the analysis of party identification, we compare the four parties with respect to their overall level of direct-contact linkages and with respect to the degree to which left parties hold advantages vis-à-vis their competitors in the aggregate. Once again, the linkage level of the Left seems to covary with linkage advantage; the lowest levels and gaps are found in Chile and Brazil. In Chile, where direct contact is low in general, the Left has done nothing to distinguish itself along these lines and has not created any direct-contact linkage advantage over its competitors. These data largely confirm findings from monographic studies suggesting that Chilean parties have abandoned strategies on the ground in favor of

other, mainly media-centric, forms of voter mobilization (Luna 2004). In Brazil, left party activism stands at a low to intermediate level that lags behind that of the Left in Uruguay and Venezuela, a surprising result given the conventional wisdom about the PT, although, of course, it is impossible to apportion the high level of activism by nonpartisans, which is quite high in Brazil, particularly for party work. Direct-contact linkages for the PT are roughly as prevalent as those for all other parties combined.

By contrast, direct-contact linkages for left parties in Uruguay and Venezuela are much more extensive, and these parties have significantly larger advantages in this respect over other parties. While all of the frequencies are relatively small—mobilizing party activists is difficult—the differences in these cases between left party direct contact and that of all other parties are substantively meaningful. In the years following 2004, Venezuela was characterized by a pattern of serial electioneering, in which a major referendum or election took place every year. The Bolivarian movement has thus invested heavily in outreach and has had plenty of opportunities for direct contact. Another factor underlying the high proportion of direct-contact linkages might be the organic nature of the Bolivarian movement itself. In addition to the formal structures of parties, it is not unusual for more informal groups of activists and supporters to respond to noninstitutionalized, more personalistic exhortations and to coalesce and engage in activity in support of Chávez during elections, which may or may not involve working directly with formal party organizations. Some of the direct-contact linkages that respondents report, in terms of both attending meetings and working for parties or political movements, may involve this kind of activity. Less noted in the literature is the very high level of party activism among left partisans in Uruguay, particularly with respect to party work, which involves more initiative and commitment than attending meetings. As in Venezuela, this activism is high compared to that in the other countries and also compared to the levels of activism of others within the country.

Party Linkages with Social Organizations

A third aspect of party change has involved the weakening of ties with social organizations, especially among leftist and populist parties, which, for much of the 20th century, relied on linkages with labor unions. These linkages took the form of organic, institutionalized relationships and served as conduits for the mobilization of electoral support through exchange relationships involving concessions and benefits (Collier and Collier 1991). With the onset of market reforms, these linkages were challenged as union density declined and LBPs looked also to other constituencies and turned to other forms of voter mobilization (Collier 1992; Murillo 2001; Levitsky 2003; Roberts forthcoming). To some degree, this change in mobilization strategies

is reflective of a larger shift, also observed in the older democracies, in which parties have come to serve less of a "representative" function, operating less in society, and rather may more exclusively play the "procedural" role of "managing democracy" by recruiting political leaders, staffing public offices, organizing government, and making public policy (Katz and Mair 1995). Along with this change has come a change toward catch-all or plebiscitary linkages with atomized individuals, instead of organic collective links mediated through organizations. Within this context, however, some new opportunities for links to social organizations have emerged. As unions came to play a less central role as representational vehicles for the popular sectors and as party-union ties frayed, other associations representing popular-sector interests have proliferated. These have included some productionist associations such as informal vendors' unions, but they primarily consist of territorially based consumptionist associations such as neighborhood associations, communal soup kitchens, or various other community-based associations or nongovernmental organizations involved with the provision of social services.

The decline of unions and the proliferation of associations have produced a newly emergent "popular interest regime" (Collier and Handlin 2009a). An important characteristic of the new landscape of popular organizations is a trend toward less frequent and relatively weak ties with parties. Union-party ties have been challenged but may nevertheless continue, although they may be distant and instrumental and although unions may not have the same privileged status as allies as before (Etchemendy and Collier 2007). The growth of associations presents possibilities for new kinds of ties, although these linkages are often weaker and take on a more instrumental quality than traditional party-union ties (Garay 2009). A central dimension of ongoing party change thus involves patterns of linkage with a now more diverse group of social organizations. We explore these patterns of linkage with respect to two categories: labor unions and community-based associations.

We approach this analysis by examining party-association relationships through what Seawright (2009) has called "shared-member linkages": the relationship between partisan engagement and participation in social organizations. We conducted two kinds of data analysis to explore these shared-member linkages. First, we examined simple bivariate relationships of organizational participation with left partisanship, other partisanship, and nonpartisanship to gain a comparative perspective on the relative importance of various organizations to the lives of left partisans, that is, the differential extent to which left partisans, as opposed to others, take advantage of social organizations to pursue their interests.

Second, we specified a series of simple logistic regression models with vote choice as the dependent variable and various forms of organizational participation as the independent variables, along with a set of control variables. In the end, of course,

we cannot firmly establish that a causal connection exists with such data. Despite these limitations, however, examining these kinds of relationships is instructive for thinking about different patterns of organizational linkage, especially if other pieces of more qualitative evidence about the parties and the cases can be brought to bear which are consistent with patterns emerging in the statistical data.

Importance of Social Organizations among Partisan Groups

The very low unionist base of left parties is illustrated in the relatively low figures in table 6.1, which shows, for each country, the proportions of left partisans, other partisans, and nonpartisans who participate in union meetings, with separate data presented for monthly and yearly participation. Left parties historically were oriented toward the support of unionists, as were governing labor-based populist parties, which, when they emerged, crowded out the Left. It is generally understood that unionists are now less important as party activists. While we have no data from the earlier period, the present data show that today union members make up only a small percentage of those who identify with governing left parties. Indeed, left partisans do not appear to be more likely to participate in unions than other kinds of partisans.

Within this general pattern, however, some important comparative findings emerge. In particular, the role of unions in the lives of left partisans appears to be unusually strong in Uruguay, where unionists constitute twice the proportion of left partisans as in the other countries. In the other three cases, party-union linkages are not particularly advantageous to these left parties vis-à-vis at least some other opposition parties. This finding is not surprising in Venezuela, where Chávez has fre-

Table 6.1.
Importance of labor unions among partisan groups (percent participating in union meetings)

	Brazil	Chile	Uruguay	Venezuela
At least once a month				
Left partisans	5	6	12	6
Other partisans	7	6	3*	9
Nonpartisans	2	3	3*	3*
At least once a year				
Left partisans	11	9	18	11
Other partisans	11	10	5*	14
Nonpartisans	6*	5	4*	5*

Notes: Data reflect response to the question "Do you attend meetings of a union at least once a week, once or twice a month, once or twice a year, or never?"

*In a test of the difference of proportions, the value is significantly different from that pertaining to left partisans with $\alpha < .05$.

quently clashed with major elements of the labor movement, including the dominant Venezuelan Workers Confederation (CTV). Despite attempts to undermine those unions and, more recently, to promote or create loyal unions, a lack of comparative advantage for the Left among unionists is to be expected (Iranzo and Richter 2006). The finding is more surprising in Chile and, especially, Brazil, where left parties have had longstanding and foundational ties to the labor movement. Union loyalties in both countries have been historically split, with the more conservative unions in Brazil and the white-collar unions in Chile traditionally allied with centrist parties. Nevertheless, we might still expect the PT and the PS, both founded to a significant extent in the labor movement, to have higher proportions of unionist partisans than other parties. That neither the PT nor the Chilean Socialists appears to have a competitive linkage advantage with unions reflects a significant shift in their support base.[3]

The one case that stands out, therefore, is Uruguay. While market reforms have eroded the strength of unions and challenged union-party relationships everywhere, in Uruguay it appears that the union-party relationship has been most resilient or has been invigorated with the Left in power. As Lanzaro suggests in chapter 15, the Vázquez government took concerted steps to strengthen the labor movement, which has responded with a stance of "prudent support," throwing its weight behind the government while attempting to maintain a level of autonomy.

A second category of social organization encompasses a proliferating and diverse group of associations that are generally consumptionist and community-based, including neighborhood associations, community soup kitchens, neighborhood watch groups, and other forms of local-level associationalism. Numerous large-scale political economic changes over the past decades have increased the salience of these associations as problem-solving vehicles, especially in popular-sector neighborhoods. The growth of public-private partnerships in implementing state social programs has led to new opportunities for associational involvement in service provision, while a general tendency toward decentralization has increased incentives for demand-making at the local level. Further, many countries have seen a rise in local associations oriented toward self-provisioning activities, often to cope with the effects of economic crises or the failure of local governments to provide adequate services such as security. While neighborhood associations have long played a central role in many communities, the flourishing associationalism in Latin America over the last decades has thus particularly involved the growth of organizations in this category.

Political parties have long tried to forge connections with community-based associations (Collier 1976; Roberts 1998). Historically, these have not been leftist parties, which tended to look exclusively to a union base. In recent decades, however, left parties have also sought to establish linkages to these associations; therefore this link has real competitive potential as parties from various ideological or political stripes

Table 6.2.
Importance of community-based associations among partisan groups (percent participating)

	Brazil	Chile	Uruguay	Venezuela
At least once a month				
Left partisans	9	13	12	39
Other partisans	11	18	12	28*
Nonpartisans	6	12	8*	21*
At least once a year				
Left partisans	18	23	18	52
Other partisans	21	29	15	39*
Nonpartisans	12*	19	12*	29*

Notes: Data reflect response to the question "Do you attend meetings of committee or group for community improvement at least once a week, once or twice a month, once or twice a year, or never?"

*In a test of the difference of proportions, the value is significantly different from that pertaining to left partisans with $\alpha < .05$.

now vie for such linkages. This linkage is thus particularly interesting to examine in terms of competitive advantage. The expansion of community-based associationalism may present the same sort of potential for support mobilization earlier presented by unions in transformative episodes of labor incorporation (Collier and Collier 1991). We investigated party-association relationships using the same approach utilized for labor unions (see table 6.2).

Striking cross-national differences are evident in levels of participation in community-based associations across all partisan types. In Brazil, Chile, and Uruguay, participation in these groups is moderate, slightly higher than participation in unions, and if anything, nonleft partisans participate more than left partisans. This is clearly not an area of left linkage advantage. In Venezuela, by contrast, participation in community-based organizations is amazingly widespread. As we will see subsequently, this high rate of participation has been driven overwhelmingly by Bolivarian initiatives to sponsor and support a variety of community-based organizations. Groups like the communal councils and health committees are open to all, and they attract a great many participants from Bolivarian loyalists and opponents alike, so that participation by all partisan groups is also relatively high. Yet the government's active role in restructuring the associational world has also led to disproportionate participation in community-based organizations by its supporters. PSUV party identifiers are far more likely to be participants in community-based associations than are other partisans or nonpartisans, whereas in the other three countries participation rates are similar across partisan groupings.

These findings affirm common perceptions of some cases but challenge others.

For example, many analysts have viewed Chile as relatively demobilized, with weak linkages between the associational and partisan spheres. This picture is largely borne out in the data. Brazil, by contrast, is often viewed as a case where civil society is quite vibrant, and the PT has often been seen as having strong linkages with community associations and social movements.[4] Yet overall rates of participation are similar to those in Chile, and PT partisans do not participate in associations at higher rates than citizens identifying with other parties combined. It is possible that the notion of a highly active and PT-linked civil society accurately describes some regions of the country on which monographic studies have focused but that this characterization does not hold on a national level. Another possibility is that the inability of the Lula government to deliver on proposals such as the Multiyear Plan to further empower civil society in governance (see chapter 13) has left some associational participants jaded and thus weakened the links between participation and PT support that might have previously existed. Whereas left partisans in Uruguay stood out for their participation in unions, this pattern is not repeated for community associations, where the rate is similar to Chile's and Brazil's rates.

The higher rates of associational participation in Venezuela must, of course, be seen in the context of the massive Bolivarian project of state-sponsored associationalism. Studies of associationalism using data drawn from early 2003 found associational participation in Venezuela to be relatively low compared to rates in other countries in the region (Dunning 2009) and associational participation to be largely unrelated to support for Chávez and the MVR (Seawright 2009). At that time, initiatives to foster associationalism either remained underdeveloped or had not yet begun, with the exception of the ambitious but short-lived Bolivarian Circles initiative (Hawkins and Hansen 2006). Subsequently, however, Chávez radically restructured the associational landscape. His government has pushed the formation of associations such as health committees (local associations that serve to assess community health needs and liaise with the Misión Barrio Adentro) and urban land committees (local associations established to deal with issues related to housing, land titling, and basic infrastructure) (see García-Guadilla 2006; chapters 7 and 9, this volume). Most importantly, in 2006 Chávez also launched an initiative to form communal councils in localities across the country.

This program established a process and a set of legal criteria for the formation of neighborhood councils in urban neighborhoods of 200 to 400 families and rural areas of 20 to 50 families. These entities are formed voluntarily and run by unpaid community members outside of state spaces, but in order to be registered and recognized by the state, they must adhere to a set of formal rules in their creation and, to some degree, their functioning. Their principal activities include coordinating other associations in the community sponsored by the Chávez government and design-

Table 6.3.
Importance of state-sponsored associations among partisan groups in Venezuela (percent participating)

	Health Committee		Urban Land Committee		Communal Council	
	Monthly	Yearly	Monthly	Yearly	Monthly	Yearly
PSUV partisans	19	28	11	16	34	43
Other partisans	10*	17*	4*	9*	10*	18*
Nonpartisans	9*	14*	4*	7*	18*	23*

*In a test of the difference of proportions, the value is significantly different from that pertaining to PSUV partisans with $\alpha < .05$.

ing, implementing, and overseeing local development projects, primarily financed through resources obtained from the state. While often referred to as forms of "participatory governance," the councils most resemble a highly regulated and state-sponsored set of neighborhood associations in their form and function.[5] While the number of councils that have been formed to date is highly contested, data obtained from FUNDACOMUNAL (Fundación para el Desarrollo y Promoción del Poder Comunal), the national agency responsible for overseeing the council program, at the beginning of 2008 suggest that more than 18,000 councils had been officially registered with the national government at that time, with many others presumably in the process of formation. Reliable data on government expenditures on the councils are not available, but there is consensus among observers that the state is funneling massive resources to these entities.

Although it has been widely noted that the Bolivarian project has involved a restructuring of the associational world from above, few studies have empirically examined the effects of these initiatives in mobilizing and drawing the participation of loyalists. The communal councils are of particular interest in this respect. In launching the program, Chávez openly called for his followers to form and join councils, and features of the program seem to overtly incentivize the disproportionate participation of loyalists. We can take a closer look at these issues in Venezuela by examining a battery of questions from the LAPOP survey that inquire about participation in specific kinds of state-sponsored programs or associations.

As table 6.3 suggests, participation in all three types of state-sponsored associations has been widespread and is highly biased toward PSUV partisans.[6] The rate of participation in each of these specific organizations is stunning, but especially that in the communal councils, which alone far outpaces the aggregate rates of participation in all kinds of community-based organizations in the other countries. For each of these Venezuelan organizations, the gap between the participation rates of PSUV partisans and others is high, and together these partisan gaps do much to account for the

Venezuelan "exception" seen in table 6.2. While health committees, urban land committees, and communal councils are open to all, and while many have been formed in opposition strongholds, the programs have been clearly designed particularly to attract participation by loyalists. This highly politicized dynamic is most apparent with respect to the communal councils. More than other associations sponsored by the government, the councils have been specifically framed as fundamental to the Bolivarian project, constituting the "cells" of a new society.

To summarize, we have seen that in Uruguay, left partisans participate disproportionately in labor unions and in Venezuela they participate disproportionately in state-sponsored community-based associations, especially in communal councils. There is some evidence, then, that in each of these countries the party or the movement has established or maintained organizational linkages with societal constituencies that are electorally relevant, although the data presented here does not allow us to assess the nature of these linkages in depth. In Brazil and Chile, left partisans are not distinct in any way, and therefore there is no evidence that, in the aggregate, left parties in those countries currently possess linkage advantages with social organizations.

Organizational Participation and Electoral Mobilization

We pursue this question further. Especially since we look at left parties that are governing, that is, parties that have a demonstrated ability to win votes in substantial numbers, we may ask about the relationship between voting for the Left and participating in these social organizations. Does the evidence suggest that organizations mobilize members into electoral politics on behalf of left party candidates, even above and beyond any effect stemming from party identification? Historically, unions have often been seen as playing this kind of mobilizational role. The disproportionate participation of FA partisans in unions suggests that that role may continue into the recent period, at least in this one case. The relationship between participation in state-sponsored community-based associations and partisanship in Venezuela suggests that some associations might now operate in similar fashion.

To get some purchase on these issues, we employed a multivariate analysis. The FA is exceptionally strong in urban centers, where union members are also prevalent, and so conditioning on territorial residence is particularly important for evaluating the party-union linkage. Similarly, Chávez disproportionately attracts support from the popular sectors as opposed to the middle and upper-middle classes, and many Bolivarian community-based associations are predominantly formed in popular-sector areas, so conditioning on class is useful in exploring the relationship between associational participation and vote choice. We utilized logistic regression models with vote choice as the dependent variable, specified separately for each country, and estimated

these models through maximum likelihood. This choice involves the use of a binary dependent variable in which voting for the major left presidential candidate in the last election is scored as 1 and voting for somebody else and not voting are treated the same and scored as 0.[7]

A first model (I), specified separately for the data from each country, includes as covariates the set of theoretically relevant variables for participation in two types of social organizations: unions and community-based associations.[8] In the results reported here, we use a monthly measure for associations and an annual measure for unions.[9] We also include as controls measures for educational attainment (a proxy for social class), sex, age, territorial residence, and political ideology.[10] A second model (II) adds party identification as an additional control variable. This inclusion helps to guard against spurious results about the role of organizations in mobilizing a left vote stemming from the possibility that left partisans may disproportionately choose to participate in these social organizations (as might particularly be the case in Venezuela). To the extent that organizational participation itself might help create partisans and thereby influence the vote, however, including party identification in the model will underestimate its influence. Therefore, it is useful to examine both sets of results. Two additional models (III and IV) are specified for the analysis of Venezuela, removing the general measure for participation in community-based associations and replacing it with a measure of participation in communal councils.[11]

We start by looking at results for Chile and Brazil (table 6.4). As expected, in both countries none of the covariates for forms of participation in social organizations is significant in either Model I or Model II. This negative finding decreases the possibility that the lack of relationships in the previous bivariate analysis was due to suppressor effects from other variables.

In contrast to these nonfindings, results for Uruguay strongly suggest a relationship between union membership and voting for the FA's Tabaré Vázquez in the 2004 election. Even when conditioning on sociodemographic variables and ideology, which are clearly strongly predictive of the vote, the coefficient for union participation is statistically significant (table 6.5) and union membership appears substantively meaningful, as suggested by the size of the estimated marginal effect (see table 6.6). While, as expected, the power of union membership decreases slightly in the model with party identification added, the coefficient remains significant and the estimated marginal effect substantial. The evidence thus is at least consistent with a causal relationship in which unions throw their support behind Vázquez and, one way or another, mobilize members to turn out and vote for the Left. Although an indirect relationship cannot be ascertained from the data analysis, it also seems likely that union membership might shape the vote through the medium of party identification. The FA has been the strongest partisan advocate of union interests in Uruguay, and the labor move-

ment has historical ties with the FA or some of the parties that eventually came to constitute it.

Results for the Venezuelan data also suggest that social organizations serve mobilizational functions. Although the previous section found little relationship between union membership and PSUV partisanship, the results here suggest a relationship between union membership and a vote for Chávez. These results stay largely consistent across all specifications, including those with party identification in the model. Estimated marginal effects are not as high as those for union membership in Uruguay but still are substantial. Given the nonfinding in the previous section, it may be that members of newly government-sponsored, alternative unions, especially those in the rapidly expanding public sector, might also have a particular attachment to Chávez (who may have given them jobs in the first place) that does not fully translate into an identification with the PSUV. In the context of a restructured labor movement, unions may now play a role in mobilizing members to vote for Chávez.

Stronger results with greater substantive implications are found with respect to community-based associations and, specifically, communal councils. In Models I and II, participation in any form of community-based association is a strong predictor of a Chávez vote. Results for Models III and IV suggest that this finding may be largely driven by the specific relationship between the Chávez vote and participation in communal councils, the most widespread and most politicized state-sponsored asso-

Table 6.4.
Covariates of vote choice in Chile and Brazil

	Model I (Brazil)	Model II (Brazil)	Model I (Chile)	Model II (Chile)
Union	.098	.010	–.022	.070
	(.227)	(.265)	(.262)	(.268)
Community-based organization	.344	.318	–.054	–.050
	(.238)	(.277)	(.182)	(.183)
Party identification		1.718***		1.330***
		(.229)		(.202)
Ideology	.376	.456	2.735***	2.398***
	(.231)	(.267)	(.271)	(.275)
Age	.053	–.099	2.964***	2.940***
	(.305)	(.352)	(.341)	(.346)
Education	–.318	.301	–.176	–.412*
	(.182)	(.209)	(.088)	(.179)
Sex	–.049	–.031	.317*	.374*
	(.119)	(.137)	(.129)	(.131)
Urban-rural	–.547**	–.615**	–.103	–.120
	(.167)	(.191)	(.188)	(.189)
N	976	976	1330	1330

Note: A constant was estimated by not reported.
*significant at the .05 level **significant at the .01 level ***significant at the .001 level

Table 6.5.
Covariates of vote choice in Uruguay and Venezuela

	Model I (Uruguay)	Model II (Uruguay)	Model I (Venezuela)	Model II (Venezuela)	Model III (Venezuela)	Model IV (Venezuela)
Union	1.034***	.718*	.826**	.700*	.674*	.604*
	(.286)	(.315)	(.256)	(.279)	(.260)	(.284)
Community-based organization	.112	.043	.778***	.755***		
	(.246)	(.262)	(.141)	(.154)		
Communal Council					1.014***	.929***
					(.160)	(.174)
Party identification		1.965***		2.769***		2.667***
		(.181)		(.227)		(.224)
Ideology	4.996***	3.689***	1.981***	1.725***	1.966***	1.721
	(.352)	(.362)	(.188)	(.211)	(.192)	(.212)
Age	.591*	.571	.763*	.312	.892*	.444
	(.334)	(.360)	(.380)	(.412)	(.384)	(.414)
Education	–.077	.047	–.170*	–.263**	–.139*	–.224**
	(.178)	(.194)	(.073)	(.081)	(.073)	(.080)
Sex	.186	.178	.041	.166	.003	.138
	(.145)	(.157)	(.121)	(.133)	(.123)	(.134)
Urban-rural	–.220	–.287	.304	.318	.461	.474
	(.259)	(.277)	(.281)	(.309)	(.293)	(.321)
N	1104	1104	1302	1302	1277	1277

Note: A constant was estimated but not reported.
*significant at the .05 level **significant at the .01 level ***significant at the .001 level

Table 6.6.
Estimated marginal effects

	Model I (Uruguay)	Model II (Uruguay)	Model I (Venezuela)	Model II (Venezuela)	Model III (Venezuela)	Model IV (Venezuela)
Unions	.247	.174	.195	.161	.161	.140
Community-based organization or communal council			.189	.178	.240	.213

Note: These data indicate changes in the predicted probability of a left vote when the independent variable is set at 1 versus at 0, with all other variables set at their means.

ciations. Importantly, these results remain strong even in the model including party identification. Chávez has branded these organizations as part of his transformative Bolivarian project and has encouraged his followers to participate in them. Therefore, including party identification in the model helps to examine the role of these associations in electoral mobilization while avoiding the threat of a spurious finding because of the probability that PSUV partisans are more likely both to participate in these associations and to vote for Chávez. Once again, we can only posit a causal relationship between participation in communal councils and the vote for Chávez. It seems likely that the communal councils, like unions in Uruguay, serve as a mechanism of persuasion, ensure that their participants turn out at the polls, or both.[12] Qualitative studies suggest support for such a hypothesis (García-Guadilla 2007). Councils might also affect the vote by helping to forge partisan identities, but again, this more complicated relationship is not possible to assess here.

Conclusion

This chapter examined the linkage repertoires of governing left parties in Brazil, Chile, Uruguay, and Venezuela, assessing them in terms of party identification, direct-contact linkages on the ground, and linkages in society with social organizations. We set out to examine both the level or extent of these linkages and the gap or relative advantage enjoyed by left parties over their competitors. A finding was that the one largely reduced to the other: the gap or competitive advantage can be attributed to the linkage strategy of left parties, rather than to the linkage repertoires of other parties, which vary much less cross-nationally. In this last section, we suggest a tentative explanation for some aspects of this variation in strategies, with a focus on linkages through direct contact and linkages with social organizations.

We highlight two important contrasts to be explained among the parties under investigation that emerged in the empirical analysis. The data first suggest a basic

distinction between the Left in Brazil and Chile, where all types of party linkages in society are relatively weak, and in Uruguay and Venezuela, where they are considerably stronger. A second contrast is between the latter pair of cases, with the FA primarily forming social organizational linkages with labor unions and the PSUV having forged extensive linkages with popular associations. We suggest the institutionalist explanation that different characteristics of the party system in which these parties compete explain both of these contrasts: fractionalization for the first, and party-system continuity for the second.

The first outcome to be explained, then, is the contrast between the relatively weak linkages of the PT and the Socialists in Brazil and Chile and the considerably stronger linkages of the FA and the PSUV in Uruguay and Venezuela. The finding of weak linkages is not unexpected for the Chilean Socialists, which have been characterized by an electoral-professional orientation since the democratic transition. The conclusions about the PT are more surprising, given that it has historically been viewed as a quintessentially basist party, founded out of a new unionism and other social movements and heavily invested in building a mass organization (Keck 1992). In contrast to these two, the FA and the MVR/PSUV made direct-contact linkages more frequently and displayed a greater degree of shared-member linkage with social organizations.

We suggest that this difference between the two pairs may result from the level of fractionalization of the party system. Fractionalization shapes electoral and governing strategies and, as a result, incentives for pursuing linkages on the ground and in society. In Brazil and Chile, party systems are highly fractionalized, characterized by a large number of electorally relevant parties. As a result, winning an electoral majority is difficult without pacting, and constructing a governing legislative majority is effectively impossible without coalitions.[13] For the Left, the path to government has thus involved pragmatic deal-making with parties of the Center, as in Chile, or even the Center-Right, as in Brazil. Such moderating incentives may have been particularly conducive to the adoption by left parties of electoral-professional orientations and the erosion of linkages on the ground and in society, since the need to maintain coalitions may make left parties prefer to distance themselves from basist strategies or to promise programmatic payoffs to allied social organizations as an ongoing expectation.

The necessity for coalitional politics may also favor moderate party factions within the Left more adept at forming coalitional bonds and more amenable to media-centric campaign strategies. In the case of the Chilean Socialists, the Nuñez faction, which was most active in creating an alliance with the Partido Demócrata Cristiano (PDC) during the dictatorship and had the weakest ties and commitments to social organizations, has had an upper hand within the party since the transition to democracy. In Brazil, the moderate Articulation faction led by Lula has maintained dominance within the party, partly because it has been most capable of managing the exigencies

of professional political activity. Leftist factions, most of them committed to a basist orientation, have steadily declined in influence over the latter half of the 1990s and in the new century.

Left parties in Uruguay and Venezuela have faced a different competitive environment, given that party systems are marked by fewer electorally relevant parties. These party systems were historically dominated by two centrist parties that did not differ markedly from each other in programmatic orientation. While the FA and the MVR took very different paths as newcomers, in neither case did their emergence and ascendance lead to a fractionalized party system. Rather, one way or another, the Left was capable of attaining electoral and legislative majorities without pacting and making coalitional deals, or at least while making such deals only with other smaller parties also of the Left. As a result, neither left party has faced the same pressures from centrist coalitional partners, nor has it been characterized by factional dynamics in which sectors most supportive of moderation and electoral-professionalism have been privileged while those most committed to a basist orientation have been marginalized. While the FA has moderated considerably over time, its upper ranks still reflect the presence of leftist factions with deep commitments to maintaining ties to basist constituencies (see chapters 5 and 15). And the inner circle of the Bolivarian movement has been dominated by an alliance of civilians from the radical Left and military officers with roots in Chávez's clandestine Movimiento Bolivariano Revolucionario 200 (MBR 200), blocs strongly supportive of "protagonistic democracy" and basist strategies.

The second contrast is that while the FA and the PSUV both have strong linkages in society, they differ markedly in the types of social organizations with which they have linkages. The FA is largely reliant on traditional labor unions, while the PSUV has adopted a hypermobilizational orientation, shunning linkages with established organizations and forging them with new, state-sponsored popular associations. We suggest that this difference, in significant part at least, results from another party-system characteristic: its stability and continuity when the party arrived in government. And here, the two cases differ substantially.

The FA came to power in the context of institutional continuity. The traditional parties were clearly on the decline but retained considerable strength. The Left arrived in government after a lengthy period in opposition, having already developed strong relationships with unions, and with a mandate to maintain the basic contours of the democratic polity that had characterized the country since the transition back to democracy in the 1980s. As described in this chapter, with low party fractionalization, the FA did not face strong moderating incentives for pacting with the Center or the Right that might have made linkages with labor unions inconvenient. In a context of institutional continuity, the FA could continue to rely on labor unions as a support

base and faced few incentives to enact potentially controversial and polarizing policy initiatives to restructure the world of popular associations.

Venezuela provides a significant contrast, in that the PSUV came to power in the midst of a fluid party system and institutional chaos. Citizen dissatisfaction with Punto Fijo politics had become so acute by the 1998 election that it proved to be a contest of outsiders, with the traditional parties discredited and in the latter stages of collapse. The labor movement was not a convenient support partner for Chávez and the MVR, being not only affiliated with the traditional parties but also delegitimated by its privileged position under the Punto Fijo system. Further, the delegitimation of Punto Fijo politics gave Chávez and the MVR a mandate not just for policy change but also for institutional renewal. The Left came to power promising to call a constitutional convention and to refound the Venezuelan state, and it faced a greatly weakened opposition in navigating the process. Operating within a fluid institutional environment and with the need to find new organizational partners, Chávez faced greater incentives, or at least perceived space, to forge new structures and forms of support mobilization and legitimation. As a result, the Bolivarian project took on a highly mobilizational character, with bold policy initiatives to sponsor new popular associations that would form the basis of extensive organizational linkage for the party and reshape political attachments.

NOTES

1. The PSUV is now the dominant party of the Bolivarian movement. The survey upon which this chapter draws was conducted when the PSUV was in its initial stages. Henceforth, *PSUV* refers to all parties that decided to join the PSUV, including the MVR (Fifth Republic Movement), the MRT (Movimiento Revolucionario Tupamaro), the MEP (People's Electoral Movement), and numerous other minor parties.

2. Although the size of this third category is also a measure of our uncertainty about these findings, it is worth noting that the pattern revealed by these data conforms to the patterns regarding the other two forms of linkage, increasing our confidence.

3. It should be noted that in table 6.1 the data for other partisans covers all other parties and thus understates the figure for at least that nonleft party with the highest proportion of unionists.

4. Examples of studies highlighting these relationships include Gadotti and Pereira 1989; and Abers 2000.

5. Specifically, unlike other organs of "participatory governance" that have attracted scholarly attention and proliferated elsewhere in Latin America, their creation is voluntary, their meetings do not occur within state-defined or -created "spaces," and they have not taken over or been assigned roles in functions like budgeting that were previously reserved for local governments. Nonetheless, the communal councils blur the line between the societal and statal spheres and have elsewhere been conceptualized as "quasi-governmental" entities (see Hawkins et al. 2008). We analyze the councils as social associations because of the characteristics

mentioned, which make them most akin to neighborhood associations at the current time. However, it is important to note that the council initiative remains in flux, with substantial uncertainty regarding their future role. It is possible that the communal councils will evolve to become less like territorially based societal associations and more like institutions of local government.

6. It is important to note that respondents might understand the concept of participation in different ways. For example, a citizen appealing to a local health or urban land committee to solve a personal problem might consider that to be participation, even if the respondent himself or herself was not an actual member of the committee.

7. The results of the model thus do not distinguish between a persuasion effect (voting for the Left rather than a competitor) and a turnout effect (voting for the Left rather than staying home). For countries with multiple rounds of voting for presidential elections, results were used from the first round to standardize across the cases.

8. All participation variables are scored as dichotomous, with values of 1 for participants and 0 for nonparticipants.

9. We use the yearly scoring for unions because the goal is to measure membership, and participation in monthly meetings is likely to severely underestimate the proportion of union members. For associations, which tend to have a looser participation model rather than formal membership, the goal is to measure the population that is actively involved in the association, for which the monthly measure seems most appropriate. Running the same models with all organizational variables measured through yearly participation measures yields no difference in terms of the significance of theoretically relevant covariates.

10. Scoring for control variables is as follows: Ideology is scored on a ten-point scale from 1 (Right) to 10 (Left), subsequently rescaled from 0–1. Age was rescaled from 0–1, with 0 equivalent to the lowest respondent age in the sample (16) and 1 equivalent to the highest (98). Sex scores of 1 indicate female. Education is scored as a three-value ordinal scale, rescaled from 0–1, such that 0 is equivalent to less than a high school diploma, 0.5 is equivalent to the attainment of a high school diploma, and 1 is equivalent to at least some university education. Urban-rural is based on a dichotomous scoring in the LAPOP survey, with 1 indicating urban.

11. Communal Council participation is included in the model, but participation in other state-sponsored associations such as urban land committees and health committees is not. We exclude these other associations because, increasingly, participation in these associations is formally linked to Communal Council participation. By design, the communal councils are supposed to encompass and coordinate these other associations within a given neighborhood, and the officers of other associations are supposed to hold formal positions within the council. In other models (not presented) that include these other associations, results for communal councils are largely unchanged and the other associational covariates are significant.

12. Despite compulsory voting laws in Venezuela, turnout has averaged only 65% over the three presidential elections during the Chávez era (1998, 2000, and 2006). Turnout remains a critical feature of Venezuelan electoral politics.

13. In Chile the pacting is institutionalized (through the Concertación de Partidos por la Democracia); in Brazil, it is not, and it occurs through the second round of presidential elections and legislative coalitions. In Chile, much has been made of the incentives for pacting stemming from the electoral law. We here point to a more general phenomenon that spans electoral laws and governing as well as electoral coalition building.

CHAPTER SEVEN

The Left and Participatory Democracy

Brazil, Uruguay, and Venezuela

BENJAMIN GOLDFRANK

In the 1980s and early 1990s, when centrist, populist, or right-wing parties dominated Latin America's new (and old) democracies, many of the region's left parties underwent a political transformation. Rather than dismissing or downplaying the importance of democratic institutions, as they often had before, parts of the Left came to view "deepening" democracy as the primary goal (Roberts 1998). Direct citizen participation in government decision making was the key mechanism proposed to achieve democratic deepening by parties such as the Workers' Party (PT) in Brazil, the United Left (IU) in Peru, the Broad Front (FA) in Uruguay, and the Radical Cause (LCR) in Venezuela. At the local level, where the "left turn" arguably began, these parties began implementing participatory institutions that attempted not only to deepen or radicalize democracy but also to solidify alliances with social movements and reach new constituencies. In some cases, like the PT's innovative budget process in Porto Alegre, these participatory institutions gained national and even international fame as exemplars of deepening democracy at a time when observers were otherwise pessimistic about the quality of democracy in Latin America.[1] At the turn of the century, as left parties began winning national elections, expectations that the Left would adapt its local attempts at participatory democracy to the national level were widespread, encouraged by the election campaigns of Luiz Inácio Lula da Silva, Hugo Chávez, and Tabaré Vázquez.

This chapter attempts to identify and explain the national patterns of participatory politics emerging in Latin America. The first section outlines the debates within and outside the Left regarding citizen participation in local government up until the late 1990s, before several left-leaning presidents came into office. Sections two and three focus on Brazil, Uruguay, and Venezuela. They examine why the administrations of Chávez, Lula, and Vázquez pursued different participation policies, describe these policies, and briefly evaluate them. Overall, the radical democratic principles that inspired the Left at the local level have mostly faded. In Brazil and Uruguay, the

radical democratic approach has been replaced by revamped versions of societal corporatism, with a new NGO orientation in Brazil and an added rural component in Uruguay. In Venezuela's vast number of participation policies, radical democrats have been competing mostly unsuccessfully with more traditional clientelist and Leninist visions of politics. Largely mirroring the arguments made by Levitsky and Roberts, in the introduction to this volume, about the variety across cases of left government, this chapter explains the distinct types of participation policies implemented by pointing to differences in the incumbent coalitions' social bases, internal organizations, histories with participation, and strength vis-à-vis opposition parties. In addition, it suggests that examining an old and never resolved debate within the Left about the relationship between participatory and representative democracy helps our understanding of the new patterns in the region.

Local-Level Participatory Democracy and the Left (and Its Critics)

Until relatively recently, debates within the Latin American Left focused on national-level politics and the interrelated tensions that mark reform versus revolution, parties versus guerrilla movements, parliamentary versus activist politics, and social democracy versus socialism. As part of the Left's new appreciation for democracy during the era of widespread military rule, citizen or "popular" participation gradually was given new emphasis in political discourse and policy proposals. As democratization proceeded, this emphasis allowed left parties to distinguish themselves from rivals further to the right and also, in many cases, from their own pasts. Participatory democracy offered an alternative both to liberalism and to violent revolution. Given election outcomes, this participatory discourse focused mostly on local-level politics. Unable to win national executive office throughout the region in the 1980s and early 1990s, left parties performed increasingly well in municipal elections, particularly in large cities such as national capitals (Chávez and Goldfrank 2004). As is true of many of the later national left victories, the local Left's electoral success was partly a result of its representation of the "losers" from the region's neoliberal turn, the urban middle class and the organized working class (Goldfrank and Schrank 2009).

The Left's rise to local power[2] progressed unevenly across countries and included many reversals. It started with the IU's 1983–86 term in Lima and continued with the PT in Diadema and Fortaleza and then in dozens of Brazilian cities in the late 1980s, followed by the FA in Montevideo (with Tabaré Vázquez as mayor) and the LCR in Caracas and Ciudad Guayana in the early 1990s, and ultimately the Party of the Democratic Revolution (PRD) in Mexico City, the Farabundo Martí National Liberation Front (FMLN) in San Salvador, the Sandinista National Liberation Front

(FSLN) in Managua, left-leaning indigenous mayors in several cities in Ecuador and Bolivia in the late 1990s and early 2000s, and finally the Alternative Democratic Pole (PDA) in Bogotá. The regional scope of this spreading wave should have made the Left's subsequent national victories less unexpected and suggests that the Left may continue to compete effectively for national power, and even win, in countries like Mexico and Colombia, where it retains strong municipal bases.

Especially in the earlier cases of left local governments, debates erupted within the new municipal ruling parties concerning the strategic role of participation. Over time, an orthodox perspective gave way to a radical democratic approach to participation, while outside the Left, conservative opposition voices were gradually muted by technocratic centrists who began to adopt participatory language. These different approaches to participation varied on several points, most importantly the issue of whether the new participatory institutions should complement or replace the traditional institutions of representative democracy.

The orthodox Left held that city governments should be viewed as an arena for creating a dual-power situation, in which the political and social Left could engage in confrontation with the national government from the local level in order to accelerate the revolution. According to this Leninist view, prominent in PT-run cities like Fortaleza in the mid-1980s, participation programs would be parallel power structures or "embryos of revolution." Although the exact form of the postrevolutionary government was rarely specified, traditional representative institutions like legislative bodies were not prized.

By contrast, the radical democratic position was that municipal government should be a site for demonstrating capacity to govern effectively in order to consolidate local power and eventually win national office. In this view, inclusive, participatory decision-making processes would stimulate gradual cultural change such that city residents would become citizens, or political subjects aware of their rights. This Gramsci-inspired approach quickly became the norm in cities like Montevideo under the FA, Caracas and Ciudad Guayana under the LCR, and dozens of Brazilian cities under the PT, with Porto Alegre as the flagship. Participatory institutions in these cities were originally designed to be broad based, open to all citizens, and deliberative, such that participants could debate and decide on public spending or public policies in their district, neighborhood, or the city itself. The new institutions were also intended to provide an oversight mechanism to improve government transparency, avoiding corruption and clientelism, and to direct government attention, including public works and social services, to the poor. In the radical democratic conception, participatory institutions would complement existing representative institutions, but the precise relationship between the new and old institutions was left unclear. The

question to be determined in practice was whether the two sets of institutions would be equal or whether one would be subordinate to the other.

It was this radical democratic approach to participation that was behind the implementation of participatory budgeting (PB), the Left's most widely known, reviled, and imitated innovation in local government. As originally practiced in the emblematic case of Porto Alegre, PB is a process in which citizens meet in open public assemblies (organized by city district and by theme) to establish investment priorities for the municipal budget, and subsequently delegates continue meeting with government officials to ensure compliance (Baiocchi 2003; Nylen 2003). Over orthodox left objections that it is too locally focused and unable to transform class, property, and power relations, PB has been copied or adapted by dozens of left city mayors and state governors in Latin America, usually with radical democratic principles in mind. While not universally successful (Baiocchi 2003; Wampler 2007), PB sparked interest in both conservative opponents and technocratic centrist imitators.

From the conservative perspective, participatory institutions like PB threaten the stability and even the existence of representative democracy. In the early 1990s, for example, conservatives in Caracas, Montevideo, and Porto Alegre warned that the new participatory institutions undermined the legitimacy of the elected city council and technically trained municipal employees while validating unrepresentative, uninformed volunteer participants who were being manipulated by the ruling party. This view, frequently reiterated in other cities and countries where PB was introduced, argues that PB aims at the replacement of representative, multiparty democracy with single-party domination, effected through a direct relationship between the executive branch and the masses (Goldfrank 2007a; see also Nylen 2003). Conservative parties and politicians consistently attempted to block or water down participatory reforms introduced by the radical democratic Left and, more recently, by their technocratic centrist imitators.

Technocratic centrists, located in both political parties and international development organizations, view participatory reforms like PB differently from their conservative counterparts. In their evaluations of participatory experiences of the 1990s, technocrats appreciate its uses in fostering "good government," meaning that it achieves higher levels of effectiveness and transparency, reduces poverty, and eliminates corruption. They view participatory institutions as complementary, but subordinate, to representative institutions. The participation they advocate is generally consultation, information provision, or volunteer labor rather than deliberation, and it focuses on representatives of existing civil society organizations and government agencies rather than open, public spaces.

In sum, by 2000, the Left's most important participatory innovation, PB, had

spread to hundreds of cities throughout Latin America, though still mostly in Brazil. The diffusion of PB was pushed largely by two sets of actors with different views of what PB should consist of and what it should signify, a radical democratic view and a technocratic centrist view: (1) the Workers' Party, which required adoption by all its mayors of large cities and which sent members of the successful Porto Alegre administration to dozens of city governments in Brazil and the rest of the region to provide advice; and (2) international organizations such as the World Bank, which extolled the virtues of PB and often advised governments to adopt it as part of poverty reduction programs. This friendly rivalry between competing versions of participation changed in the next several years, as left-leaning presidents came to power. In some cases, the prospect of national or widespread participatory institutions provoked newly strident conservative (and even centrist) reactions, especially where orthodox left views reappeared, such as in Venezuela. In other cases, such as Brazil, the promise of radical democratic-style participation has virtually vanished at the national level.

Explaining the Changing Course of Participation

Within the regional array of participatory experiences, the most interesting to consider are those in Venezuela, Brazil, and Uruguay. In these three countries, increasing citizen participation to deepen democracy was a key plank of the winning presidential candidates in 1998 (Chávez), 2002 (Lula), and 2004 (Vázquez). During their national campaigns, both Vázquez and Lula used their parties' local experiences as examples of how they would govern, promising citizen participation, redistribution, and transparency. Indeed, in Montevideo and several Brazilian cities, participatory institutions and the redistributive spending they helped legitimate gave the FA and the PT an ability to extend beyond their original middle-class and organized labor constituencies to reach lower-class voters and previously unorganized sectors of the population. They also provided these parties with reputations for government that was both redistributive and transparent. In Venezuela, Chávez also promised participatory democracy, pro-poor spending, and a crusade against corruption. Although he did not point to the LCR's local experiences in Caracas and Ciudad Guayana, he did have the support of the Patria Para Todos (PPT), the party that included the mayors of both cities and which had split from the LCR in 1997.

However, despite expectations that Latin America's new left governments might scale up their local participatory institutions to the national level, neither Lula, Vázquez, nor Chávez took full advantage of the earlier experiences with participation. None of them initiated the kinds of radical democratic institutions created at the local level, which were simultaneously broad-based, inclusive, transparent, and deliberative, such that they gave participants some measure of decision-making power over

public policies or spending. Yet participation was not exactly scaled back, either; each administration initiated several participatory experiments. While all three national administrations moved away from the radical democratic principles of their local predecessors, they moved in different directions: Lula and Vázquez attempted new and somewhat differing versions of societal corporatism, including tripartite negotiations over public policy with business and labor organizations, while Chávez began with a mix of radical democratic, clientelist, and orthodox left policies, only to abandon the former. What explains this pattern?

Some argue that organizing participatory processes on national-level issues across a large and populous country like Brazil is simply not feasible, making corporatist arrangements a clear alternative (Doctor 2007, 139). However, the initial experience under Brazil's Ministry of Cities (described in the next section) suggests that such processes are feasible, and this does not explain why both tiny Uruguay and enormous Brazil pursued corporatism while Venezuela did not.[3] Others suggest that trying to explain policy choices in Venezuela is ill-conceived; policies are constantly improvised and changing in response to conjunctural factors, and no preconceived model or plan exists (Lander 2007, 66). In comparative perspective, however, it seems that the different participation outcomes in these cases may be explained. The differences in the incumbent coalitions' constituencies, internal factional positioning, electoral and legislative strength vis-à-vis their opposition, and political learning with regard to participation all point to a clear divide between Chávez's Patriotic Pole on one hand and "Lula Presidente" and Vázquez's FA–Progressive Encounter (EP)–New Majority (NM) on the other.

Two points stand out regarding the constituencies. One is that the major parties within the Patriotic Pole (the Fifth Republic Movement [MVR], the PPT, the Venezuelan Communist Party [PCV], and the Movement toward Socialism [MAS]) were much less strongly rooted in society than were the PT and the FA upon arrival to power.[4] They commanded the loyalty of few voters and held few municipal or state governments. Thus, a radical democratic approach emphasizing broad-based individual participation would seem attractive as a way to consolidate a support base for Chávez. The PT and the FA had relatively established voting blocs and already had radical democratic participatory institutions in place in dozens of cities in Brazil and in the capital city in Uruguay. They also had hopes of expanding to more cities, which they both did in 2004 and 2005, with the PT moving from 187 to 411 municipalities and the FA from one to eight departments. Thus, the national level may have seemed less important as an arena for experimenting with radical democratic participation for Lula and Vázquez. Later, as the parties of the Patriotic Pole and the Pole itself failed to consolidate and instead experienced multiple defections and divisions, perhaps Chávez needed an approach that would maintain his personal popularity but would

not reek of the Fourth Republic. "Participatory clientelism" was the answer, in which dozens of community activists might deliberate (rather than a single neighborhood association president making decisions, as in traditional clientelism), but resource allocation remained tied to partisanship.

The other point is that while the Patriotic Pole had very limited support from unions,[5] given that the labor confederation was firmly allied with the opposition Acción Democrática, Lula Presidente and the FA-EP-NM had strong, even exclusive, labor support. The two main labor confederations in Brazil, the United Workers Central (CUT) (with its strong PT ties) and Força Sindical, supported Lula, though the latter only in the second round of elections; and the National Labor Federation (PIT-CNT) had long supported the FA (chapter 15). In addition, Chávez had very limited business-sector support, while Lula's running mate, José Alencar, was one of Brazil's richest entrepreneurs and, along with the Letter to the Brazilian People (see chapter 13), had helped Lula secure some business allies. Likewise, with his FA-EP-NM coalition and his predesignation of a moderate finance minister, Vázquez had successfully moved the FA toward the center and had at least calmed business fears. The upshot is that corporatism was well-nigh impossible as a participatory strategy for Chávez but readily available for former unionist Lula and long-time labor ally Vázquez.

Second, the type of participatory strategy pursued depended partly on the faction within each coalition that held the most power and on its ideological orientation. In the initial Chávez administration (and on and off subsequently), the PPT played an outsized role compared to its meager electorate and pushed radical democratic participation. Aristóbulo Istúriz, the former LCR mayor of Caracas, was vice president of the Constituent Assembly that designed municipal planning councils based on the Caracas experience. Istúriz and many other *pepetistas* went on to hold key cabinet and diplomatic positions (Goldfrank 2004), and in their ministries, such as the Housing Ministry under Julio Montes, another Caracas administration veteran, the radical democratic style of participation was emphasized (López Maya 2007, 15). When the military wing of Chavismo grew in prominence (see chapter 9), however, Leninist conceptions of participation seemed to take hold. The first minister of popular participation and social development (a ministry created at the end of 2005) was a general.

In Brazil, Lula's closest advisers were not the same group within the PT that was most involved in experiments with radical democratic participation such as participatory budgeting. Lula's coterie was mostly made up of former trade unionists, who had more experience with corporatist relations than with participatory government. Even though two former mayors of Porto Alegre were initially invited into Lula's cabinet, his closest advisers, such as José Dirceu, "distance themselves, by conviction,

from participatory models" (Ricci 2007b). As noted subsequently, it was under former Porto Alegre mayor Olívio Dutra that the only radical democratic participatory experiment occurred. Porto Alegre's second PT mayor, Tarso Genro, was also in the cabinet, but by the time of his appointment in 2003, he had distanced himself from his earlier allies and views in Porto Alegre, even calling into question the validity of PB during his abbreviated second term as mayor, from 2001 to 2002.

This argument breaks down somewhat in the Uruguayan case, since Vázquez himself had been the leading proponent of radicalizing democracy as mayor of Montevideo. Yet in both the FA and the PT and in their social movement allies, the same groups that most strongly support participatory institutions also tend to favor more traditionally leftist economic policies. The PIT-CNT, for example, joined dozens of social movements and NGOs in calling for the Second Congreso del Pueblo in 2008 (following the one in 1966) to demand both economic and participatory changes in the government. And the radical democratic NGOs and social movements in Brazil have pushed in the same direction. Thus, in Brazil and Uruguay, allowing for broad-based participation might have strengthened calls for changing the moderate economic model, which neither Lula nor Vázquez wanted to do. This may help explain why Lula replaced Dutra in 2005, ending the radical democratic experiment in the Ministry of Cities. After all, at the First National Conference of Cities, dozens of approved motions denounced the International Monetary Fund (IMF), the World Trade Organization (WTO), the Free Trade Area of the Americas (FTAA), and the United States, including one motion demanding that the government reject IMF conditionality to make a "new model of sustainable development" feasible (Ministério das Cidades 2004, 91, 91–94).

Third, Chávez, Lula, and Vázquez found themselves confronting opposition parties of starkly contrasting strength. The Venezuelan opposition was the weakest of the three, with low levels of public support and little representation in the Constituent Assembly (less than 10% of the seats) and the subsequent national legislature (Democratic Action [AD] and the Comité de Organización Política Electoral Independiente [COPEI] had just over 20%). By promoting participatory institutions, Chávez was only threatening an already weak opposition. Lula faced the strongest opposition. The PT was in the clear minority in Congress, having won less than 20% of the seats and votes, and Lula had to win over potential congressional supporters from other parties, not alienate them with threats to their legitimacy by introducing strong participatory bodies (especially those that might interfere with budget decisions). He brought several parties into his congressional coalition, using the traditional Brazilian methods of doling out cabinet posts and funding congressional amendments to the budget and, it seems, by using a new method of doling out campaign contributions through the *mensalão* (see chapter 13). Between these extremes, Vázquez's FA held a

majority in Congress, but the opposition parties together had more than 45% of the seats in both houses and dedicated, if dwindling, followers. The FA could not amend the constitution without opposition support, and adopting radical democratic participatory institutions might require constitutional amendments and would certainly cause the opposition to revolt in defense of representative democracy, as it had in the past when Vázquez was mayor of Montevideo.

With regard to political learning, there are both national and local differences. Nationally, the Brazilian and Uruguayan incumbents had more recently regained access to representative institutions (in 1985), after living through military dictatorships that had destroyed democratic corporatism, while Chávez's Patriotic Pole had lived with representative democracy and corporatism that had largely excluded the Left since the 1960s. Thus there was arguably greater discontent with both traditional representative and corporatist institutions in the Patriotic Pole, and there was greater nostalgia for both in the PT and the FA.

Locally, Lula also may have learned from the PT's experience governing Rio Grande do Sul (1999–2002). There, Governor Dutra's participatory budgeting program was harshly attacked by the opposition in the state legislature, which viewed it as an offense to representative democracy. Moreover, the meager state budget prevented PB participants from seeing concrete results, which may have depressed the vote for the PT in the subsequent election (Goldfrank and Schneider 2006, 23–24). The lesson learned may have been that promising citizens spending decisions is strategically wise only when the government has sufficient revenues to deliver. Similarly, when Vázquez implemented his decentralized participation reform as mayor of Montevideo in the early 1990s, the opposition parties launched vigorous resistance from the local city council and the national congress, and he was eventually forced to water down the reforms after more than two years of constant negotiations (Goldfrank 2007b). And when Uruguay hit an economic crisis in 2002, the Montevideo municipal government was forced to cut spending, endangering its own PB process. In Caracas, where the LCR achieved less success in local office than the PT and the FA because of opposition sabotage and weak revenues (Goldfrank 2007b), the Left may have taken different points from similar experiences that help explain the dual Chavista agendas. That is, because defenders of representative democracy will attempt to destroy participatory institutions, they should be excluded, and because participation without concrete results does not win votes, concrete results (clientelist payoffs) are more important than empty participation.

As illustrated in the next section, the combination of these influences created too limited a space for radical democratic approaches to participation in Uruguay and Brazil but openings for corporatism and so much space in Venezuela that the government was tempted to use an orthodox left or participatory clientelist approach.

National Participatory Policies in Brazil, Uruguay, and Venezuela

Brazil

Lula's administration has made several efforts at expanding participation, most importantly the promotion of national public policy conferences, the creation of 13 new national state-society councils (bringing Brazil's total up to 109),[6] and a new consultation process on the multiyear budget. According to the adviser to the national secretary for social articulation (Schmidt 2006, 9), other participatory initiatives included several public audiences especially regarding environmental impacts; "negotiation tables," including one to negotiate the national minimum wage in 2004; and 12 "debate forums," including forums for labor, technology, and economic competitiveness, all newly created under the Lula administration. Within this range of new or expanded participatory policies, three merit closer attention: the Economic and Social Development Council (CDES), the Plano Plurianual (PPA, a consultation process for the multiyear budget), and the series of conferences resulting in the creation of the Council of Cities. The first two received the most notice from scholars and media and represent a new kind of NGO-based corporatism. The latter seems more in line with the PT's local-level radical democratic principles, yet it lost momentum and changed course after Lula replaced the first cities minister, Olívio Dutra, a founding *petista* closely identified with participatory budgeting.

The government initially emphasized the importance of the CDES. It was legally created on the first day of the administration, Lula himself often presided over the discussions and was included as one of the members, and the council's executive secretary, initially Tarso Genro, earned a special cabinet position. The CDES consists of 12 government ministers and 90 civil society "representatives" selected by Lula after 200 organizations sent 400 names of possible councilors (Kowarick 2003, 4, 10). Half of the 90 initial societal members came from business, 13 from labor unions, and 18 from other social movements or associations; 14 were "individuals," mostly university professors (11). Thus, representatives of the major labor confederations (CUT and Força Sindical), the Landless Movement, and large banks (the Federation of National Banks) and industries (the Federation of Industries of the State of São Paulo) intermingled with leaders of major NGOs, such as the Brazilian Institute of Social and Economic Analyses (IBASE) and the Brazilian Association of NGOs (ABONG). The government asked the CDES to develop proposals for reforms of the social security, labor, and tax systems, to discuss various aspects of economic policy such as interest and exchange rates and Central Bank autonomy (Doctor 2007, 139–40), and to generate a "social pact" around a national development agenda. To carry out these charges, the CDES meets four times a year, has specific working groups, and produces policy

recommendations that are ranked as consensual, majority-approved, and minority. In the original proposal, the CDES would make decisions by majority vote; the move to adopting consensual decisions was pushed by labor and NGO leaders who feared the domination of the business sector (Kowarick 2003).

Despite initial fanfare and some success helping design and (partially) legitimate the social security reform of 2003, including proposals in Lula's Acceleration of Growth Program (PAC), and opening space for societal consultation in policymaking (Paiva 2006; Doctor 2007), most evaluations have emphasized the CDES's marginal impact (Ruediger 2004; Panizza 2005b, 723; Doctor 2007, 141). Moreover, the CDES has been criticized for several ways in which it failed to deepen democracy: reinforcing traditional exclusionary practices through overrepresentation of business, men, whites, and the state of São Paulo;[7] limiting the power and autonomy of the council; failing to interact positively with Congress; and threatening the autonomy of civil society organizations that may be inhibited from voicing criticisms of the government (Ruediger 2004; Paiva 2006; Doctor 2007). Many NGOs that initially supported the CDES became disillusioned and threatened to quit in 2004 (Hochstetler 2008); they continued to protest that the government adopted only the proposals it already favored and ignored proposals it opposed. Even after the 2007 increase in the percentage of labor representatives on the CDES to 27%, compared to 39% for business (UNISOL 2007), criticisms of the council's legitimacy and effectiveness continued (Leal 2008).

The second major participatory initiative under Lula was the consultation process for the PPA, or "PPA *participativo*" (Schmidt 2006, 28) This process involved a meeting between national officials and delegates from 70 NGOs in each of the 27 states, in order to provide proposals for the 2004–7 federal budget. The participants were divided into groups, one for each of the three predetermined "mega-objectives": reducing social inequalities, encouraging environmentally sustainable growth, and expanding citizenship and strengthening democracy (26–28). Like the CDES, the participants for the PPA process were selected by the government, although two "peak level" NGO associations, ABONG and Inter-redes, helped organize the process.

The PPA consultation process was roundly criticized, including by ABONG and Inter-redes (Goldfrank and Schneider 2006, 25); Inter-redes sent a letter to the government announcing its withdrawal from the PPA process in August 2004 (Glass 2004). Unlike most of the PT's local participatory endeavors, neither the CDES nor the PPA is open to the public, and neither allows participants to make real decisions about government spending or policy. Furthermore, agreements made during the budget consultations favoring subsequent public monitoring of budget implementation and a broader and more open participation process were ignored by the government. The eventual PPA looked very different from that proposed at the end of the

consultations, and the 2006 budget was completely unrelated to the PPA. Even the government recognized its failures (Schmidt 2006, 29). Despite criticizing the 2003 process, some NGOs called for an improved version for the 2008–11 federal budget, but the government discarded it (Ricci 2007b).

The third major participatory endeavor involved numerous conferences convened by the government. According to Schmidt's inventory (2006, 11), from 2003 to 2006 there were 39 national conferences, preceded by more than 800 state conferences and "innumerable" municipal conferences, which reached the tens of thousands. Roughly 2 million people participated in these conferences. Although the conferences were well attended, activists made the same criticism as of the other participatory efforts, that they rarely affected policy, and the critics added that the multiple spaces contributed to fragmentation of popular sector demands.

The one participatory process applauded by NGOs and social movements was carried out under the auspices of the new Ministry of Cities. It involved a series of municipal, state, and national conferences and the creation of a state-society council, the Council of Cities. Under Minister Dutra, the cities conferences began with more than 2,000 municipal and regional conferences involving 3,457 cities; state conferences in all 27 states, with the participation of roughly 320,000 people; and a federal conference with 2,510 delegates (Ministério das Cidades 2004, 7, 21). The objectives of the conferences included identifying the principal problems in Brazilian cities, proposing national urban policies, and evaluating existing federal, state, and municipal urban policies. The federal conference differed from other national conferences in that at this one, the delegates elected 40 entities (and 40 substitutes) to sit on the new council alongside 30 federal, state, and municipal government officials. It differed from the CDES in that the entities chose their own representatives and lower-class sectors had a majority: popular movements received 19 seats, labor 7, business 7, and NGOs and academic associations 7 (35). It also differed from the other councils and conferences in that for the cities, the participants—rather than the government—proposed and debated the rules for forming the cities conference and council (23).

The connection to the PT's earlier radical democratic principles was made even clearer in the resolutions of the First National Conference of Cities. The resolutions included this purpose statement: "To adopt participatory democracy for deciding public policies of the Federal Government and Participatory Budgeting for the discussion and deliberation of the allocation of federal public resources for the cities. That the criteria and rules adopted for . . . this national process of participatory democracy are discussed and approved together with the popular and union movements, as well as with the existing municipal and state councils" (Ministério das Cidades 2004, 32). The differences between the Council of Cities and the CDES and other participatory spaces opened by Lula's government were clearly seen by social movement and NGO

activists. In a 2004 seminar on participation under Lula, ABONG's representative to the CDES said: "None of the spaces created in the Lula government are deliberative spaces; they are consultative. The majority of them do not have parity . . . with the exception of the Council of Cities, which was made in the Conference and is representative of institutions; in that case civil society chose; the other spaces and the other councils were not like that" (Polis 2004).

However, in 2005, with the PT struggling to maintain a majority coalition in Congress, Lula decided to replace Minister Dutra with Marcio Fortes of the Progressive Party, which despite its name is a right-wing party with a history of clientelism and corruption, not participatory democracy. Social movements, NGOs, and some business leaders in the construction industry were outraged, sending "an avalanche of letters and manifestoes" and creating an online petition asking for Dutra to remain as minister (Rosa 2005).

Overall, there has been marked pessimism about participation under Lula. Few advances can be seen in the quality of democracy, although democratic stability may have improved in the sense that social movements that had used protest in the past were involved in more spaces for dialogue and consultation. Yet even that is doubtful, as most social movements and NGOs no longer sense an affinity with the Lula administration (Hochstetler 2008). According to Rudá Ricci (2007a), a leader of the Brazil Budget Forum, the Lula government's strategy was to divide his civil society allies: "In relation to the popular democratic camp, which included a large part of the non-governmental organizations linked to ABONG and Inter-redes, Rights Forums, social movements and organizations representative of civil society that adopted the radicalization of the country's democracy (including some confessional organizations), the first Lula term was responsible for its disarticulation and defeated the original discourse and ideas."

Uruguay

The Vázquez government has pursued participatory policies that generally resemble those in Lula's Brazil, although they have received greater approval from FA supporters. In addition to the two most important participatory initiatives—the salary councils and the National Economic Council (CEN)—which receive greater attention subsequently, the Vázquez government attempted to carry out its promise to "deepen, expand, and broaden democracy and citizen participation in the exercise of government" (Vázquez 2005) through several other efforts. These included holding occasional cabinet meetings in public in various cities throughout the country, offering citizens a window into government decision making and following Vázquez's practice as mayor of Montevideo in the early 1990s. The government also convened

three "national dialogues," or conferences, on reforms of education, social security, and national defense; created the National Agricultural Council and departmental agricultural councils and the National Space for Social Dialogue and Departmental Social Councils for the new Ministry of Social Development (Moreira 2007, 12–13; OPP 2007, 7–8).

The FA administration's first major endeavor to expand participation—the reinstallation of tripartite salary councils—was launched by Vázquez immediately upon taking office. Tripartite bargaining, in which union, business, and state representatives meet to set wages according to type of economic activity, had been a feature of Uruguay's corporatist system in the past (see chapter 15). Under Vázquez, however, for the first time, rural (and public) workers were included and the new Rural Tripartite Council was installed. Furthermore, plans to incorporate domestic workers (Ciarnello, Barrios, and Moreira 2006) were realized in the 2008 round of negotiations after the creation of the Housekeepers League. The Rural Tripartite Council approved new proposals for expanded unionization rights, but with only the votes of the union and government representatives; the business associations voted against the proposals (156). The salary councils appear to be working well. In the first round of negotiations in 2005, 85% of the councils reached a collective agreement (Chasquetti 2007, 250), and subsequent rounds were held in later years and met with greater adhesion.

There is widespread agreement that the salary councils have contributed to an increase in real wages, unionization rates, and formalization of labor; in addition, in conjunction with expanded social spending and the economic recovery, a decrease in poverty has resulted (Moreira 2007; PIT-CNT 2007; chaps. 5 and 15, this volume). Working conditions also improved because hours, vacation, breaks, and safety issues were included in the negotiations. These successes were accompanied by an increase in the rate of employment (PIT-CNT 2007, 45), suggesting that the salary councils have not reduced labor demand. The labor confederation, PIT-CNT, welcomed the salary councils, as did at least parts of the business sector. However, after the government passed a series of pro-union labor laws, business support for the tripartite bargaining arrangements declined (Moreira 2007, 19; ARU 2008). The Rural Association of Uruguay (ARU 2008, 2) complained that the new tripartite forums ignored business voices and that while "tripartism functioned adequately in 2005, it has transformed into a formal mechanism, empty of content, and is no longer utilized with the intent of creating a consensual path but to approve pre-ordained projects."[8] Business and opposition party leaders also protested during the salary negotiations in 2008 that the government allowed workers to occupy factories in order to pressure business representatives.

The Vázquez government's second major participatory initiative was similar to that

of Lula, the creation of the National Economic Council (CEN). Uruguay's economic council is less business-dominated than Brazil's. It consists of 14 business and 14 labor representatives, plus 3 each from cooperativists, universities, consumer groups, and NGOs with state contracts. The law creating the CEN gave it a wide array of possible advisory roles, from advising on the budget to writing reports on any social or economic theme of its own choosing or as requested by the government or a private entity (Pérez 2006, 50). The CEN is unlike Brazil's CDES in that, while the government chooses the organizations that sit on the CEN, the representatives are chosen by their respective organizations.

Although the CEN appears not to be any more relevant than its Brazilian counterpart, it has been viewed positively at least by the PIT-CNT, which has brought various economic issues to the CEN's consideration (2007, 32, 36). For example, when inflation increased in 2007, the PIT-CNT proposed that the CEN create the Prices and Markets Commission to monitor the prices of basic household goods (*canasta básica*) and act to avoid speculation. Over the objections of the Uruguayan Supermarket Association and other large industry groups, the motion passed (*El Observador,* Sept. 18, 2007). At the same time, the government announced several measures to combat inflation, including lowering or eliminating taxes on energy use, telephones, and chicken (PIT-CNT 2007, 54).

Generally, the model of participation pursued is more in line with corporatism than with the radical democratic principles of the FA's local governments. Nonetheless, while the Vázquez government has not implemented more open, deliberative participation processes like participatory budgeting at the national level, it supported the FA's participatory budget processes in 6 of Uruguay's 19 departments, including Montevideo, Paysandú, and 4 of the other departments won by the FA in 2005. Moreover, with the explicit goal of expanding the possibilities for local-level participation, at the end of his term Vázquez passed a decentralization law, creating municipalities for the first time in Uruguay (for towns with more than 5,000 residents), each with an honorary municipal council and a mayor. Elections for these posts were held in 2010, and resources and responsibilities will gradually be transferred to this new third level of government.

The participatory efforts of the Vázquez government were generally well received by civil society organizations. For example, the National Association of Development-Oriented NGOs (ANONG), the Uruguayan counterpart to ABONG in Brazil, evaluates the various national conferences and new national and departmental councils and commissions positively overall (ANONG 2007). The labor confederation, PIT-CNT, praised the government not only for the salary councils and the CEN, which had been agreed to before the 2004 election, but also for the national debates on education and social security and other participation channels. In a gen-

eral assessment, its research institute stated: "Over and above the fact that in diverse areas participation and the degree of influence have been insufficient, it is undoubted that the spaces provided by the government represent an advance with respect to the experience under past administrations" (PIT-CNT 2007, 36). However, in some instances, such as the Dialogue Space of the Ministry of Social Development, there were complaints that societal participation was too rushed and uninformed to be effective and that it was ignored, even if the opening of new channels of participation was welcomed (Destéffanis 2007). Although some social movements have criticized the lack of effective channels of participation, such as the Comisión Nacional de Seguimiento Mujeres por Democracia, Equidad y Ciudadanía (CNS Mujeres) (Pérez 2006), they have not broken their alliance with the Vázquez government, as such movements did in Brazil. With the expansion of channels of participation both at the union and the associational levels, the more balanced provision of spaces to upper- and lower-class interests, and their generally positive reception (though more positive on the part of the union movement), one could argue that both the quality and stability of democracy have improved in Uruguay.

Venezuela

While the FA and especially the PT governments seem to have abandoned the radical democratic approach in favor of new versions of corporatism, the Chávez government adopted the radical democratic approach in Venezuela's "Bolivarian" constitution in 1999 and initially implemented it to some degree in certain policies. However, the Chávez administration has pursued an overwhelming number of participation initiatives, many of which overlap or contradict one another, or both, in terms of the model and goals of participation. In addition to principles of radical democracy, clientelist and Leninist ideas are clearly present as well in the dozens of participatory institutions implemented following the constitutional process in 1999, which itself involved a high level of societal participation (García-Guadilla 2003).

The following list includes most of the important new organizations and institutions, roughly in order of appearance and with estimates of their peak or current numbers when possible: 65,000 Bolivarian Circles (CBs), with 2.2 million members at their peak in 2001 (Hansen and Hawkins 2004); 2,700 technical water boards (MTAs) and dozens of community water councils in 2007 (López Maya 2008, 12); social consortiums followed by self-managing community organizations (OCAs); local public planning councils (CLPPs) that in theory should match the number of Venezuelan municipalities, or 335; more than 6,000 urban land committees (CTUs) in 2006 (García-Guadilla 2007, 8); and 33,549 communal councils (CCs) formed or in the process of formation as of November 2007, involving more than 8 million

participants (MPP-PPS 2007b, 2007a). This level of participation—with about 35% of respondents in a nationwide survey confirming their participation in at least one CC meeting (Hawkins et al. 2008, 118)—far surpasses levels of participation in most experiences of participatory budgeting. Many of the dozens of social "missions" also have a participatory element. The best-known, Barrio Adentro, includes more than 10,000 health clinics, each with its own local committee (Briggs and Briggs 2007, 170–71). Moreover, the number of cooperatives has expanded exponentially because of government stimulus: from 766 in 1997 to 1,366 in 2001 to 66,680 in 2005 (Díaz 2007, 5–6). The sheer number of government-supported initiatives helps explain the relatively high levels of participation in Venezuela found by Handlin and Collier (chapter 6).

Arguably the two most important of these participatory initiatives have been the CLPPs and the CCs, the former because they are enshrined in the constitution of 1999 as the preeminent institution to embody Venezuela's new "participatory and protagonist democracy" and the latter because they currently involve the most people, they absorbed many of the tasks and participants of the CBs, MTAs, OCAs, CLPPs, and CTUs, and they were slated by Chávez to be the most important "motor" driving toward "twenty-first century socialism" (Lander 2007, 79) in the proposed constitutional amendments that were defeated in 2007. The transition from the emphasis on CLPPs to CCs also reveals the differences between the radical democratic principles that motivated the local left experiences and the clientelist and orthodox left ideas that have come to predominate in the Chávez government.

The 1999 constitution calls for state-society councils with planning, investment budgeting, and oversight functions at all three levels of government. The municipal or local public planning councils (CLPPs) and the state councils were legislated in June 2002, and many were formed in the following months, while legislation for the federal council was initially vetoed by Chávez in 2005; a modified version was finally approved and formed in 2010 (see below). The design of the CLPPs closely resembles the experiences of the Radical Cause government in Caracas of the mid-1990s, in that it combines representative and participatory institutions, includes a variety of state and societal actors, and is meant to be deliberative rather than consultative. Each CLPP should include the mayor, city councilors, and representatives of neighborhood associations and other civil society organizations. The nongovernment CLPP members hold 50% of the seats on the council plus one and are elected by local citizens in public assemblies. The CLPPs are charged with organizing assemblies for direct citizen participation in the planning and budgeting process as well.

Several scholars viewed the CLPPs initially as positive steps toward improving the quality of democracy; among those scholars was García-Guadilla (2007, 6), who notes high levels of participation in the budget process and the aim of decentralizing

local power. Nonetheless, the CLPPs faced immediate difficulties. Many opposition and Chavista mayors felt threatened by the CLPPs and either refused to convoke them, obstructed their functioning, or designated the CLPP's members in violation of the law (García-Guadilla 2007, 7; Lander 2007, 76). According to García-Guadilla (2007, 14), all the pro-Chávez parties attempted to penetrate the CLPPs, which contributed to their failure.

There are two versions of why Chávez abandoned CLPPs in favor of CCs in 2005–6. For many scholars, CCs are simply clientelist tools (that is, instruments for exchanging favors for votes). Some point out that the advent of CCs coincided with the upcoming presidential election in December 2006 and that their ever-increasing budget and importance in 2007 corresponded with the creation of the new pro-Chávez party, the United Socialist Party of Venezuela (PSUV) (Rangel Guerrero 2005; Morales, Cuñaro, and González 2006). This argument follows the critiques of all the social and participatory programs under Chávez that stress their clientelist nature (Hawkins and Hansen 2006; Corrales and Penfold 2007). The partially competing view is that the CCs were a response to the CLPPs' problems with resistance from existing representative institutions and bureaucracies (Lander 2007, 76–78). Again, this reflects a more general point about Venezuela's new institutions, the frequent Chavista argument that the inefficient, corrupt, clientelist, and illegitimate preexisting political institutions essentially forced Chávez to adopt new "parallel structures," such as the missions (Ellner 2005; Lander 2007, 71).

Whatever the motives, in late 2005, the Chávez government began promoting the CCs, which were mentioned briefly in the constitution but never emphasized. In early 2006, the government passed a new CC law that delinked them from CLPPs and thus from municipal governments (López Maya 2008, 8). Instead, CCs were subordinated to the national government, and particularly the presidency, which named new executive commissions to register and allocate funding to the CCs. Specifically, following another law in 2009, CCs can be formed by between 150 and 400 families in urban areas, a minimum of 20 families in rural areas, and a minimum of 10 indigenous families. Their role is to act as microgovernments, creating a development plan and then implementing community projects. The primary decision-making body is the citizens' assembly, which elects spokespeople to coordinate the activities of the various committees that may be created for anything from health, housing, and water to security, alternative media, and gender equality. All persons 15 years old or older may participate in the citizens' assembly, and 30% of the adults in the community must participate for the decisions to be legitimate.

Unlike the CLPPs, the CCs sprang up virtually overnight, thousands of them, because they faced fewer political obstacles and resources arrived quickly, allowing for rapid results, thus spurring further participation. The first CCs received up to

$14,000 per project, and second-time applicants received up to $28,000 (Díaz 2007, 12). The CC law initially established a federal fund of over a billion dollars to finance their projects, bypassing municipal government altogether. Later legislation allowed transfers from the municipal and state governments to the CCs, and the government created several sources of funding for the CCs, including a new national fund and the diversion of resources away from municipal and state governments (Rangel Guerrero 2005; Morales, Cuñaro, and González 2006).

Chávez calls the communal councils the seeds of Bolivarian or 21st-century socialism, and some Chavistas have suggested that the communal councils are parallel structures that will render representative institutions unnecessary (García-Guadilla 2007, 17), while others view them as coexisting indefinitely. Ellner (2005) notes that differences between hard- and soft-line Chavistas can be separated by their adherence to a "revolutionary opportunity" approach versus a "non-revolutionary transformative" approach, which comes down to a difference between supporting the creation of permanent parallel structures to existing political and economic institutions (revolutionary) versus avoiding parallel structures and reforming the existing institutions (nonrevolutionary). This debate has clear echoes of the older municipal debates within the Left of the 1980s and early 1990s. Now, however, it is not just conservative detractors who view moves toward participatory democracy as threatening to representative democracy. Some former Chávez supporters, who favored the expansion of radical-democratic style participation, view the CCs as potentially endangering democracy in general.

Thus, despite the fact that millions of Venezuelans have participated in the CCs, both pro- and anti-Chávez scholars have strenuously criticized the CCs. Scholars of all political stripes, as well as many CC members from both the middle and the lower classes, recognize the CCs' most important problems: the lack of transparency and even rules governing allocation of resources to CCs and the corresponding possibilities for corruption and clientelism; the multiplication of the CCs' roles and their duplication and usurpation of existing roles for municipal governments, CLPPs (which still exist on paper), and the rest of the alphabet soup of participation programs, which have declined precipitously; the CCs' lack of technical capacity to carry out these roles and the overburdening of the poor to participate and provide volunteer labor; the concentration of power in the executive branch; the lack of autonomy of the CCs and their corresponding dependence on the executive branch; and the exceedingly small territory covered by the CCs, which hinders coordinated urban planning, focuses participants' attention on the microlevel to the detriment of macrolevel policies, contributes to homogeneity among participants, and tends to prevent political pluralism (Rangel Guerrero 2005; Díaz 2007; García-Guadilla 2007; Lander

2007; López-Maya 2008). The fact that the government minister in charge of the CCs urged them to campaign in favor of ending term limits in early 2009 underscored the potential relevance of the charges of clientelism and lack of pluralism.

Nonetheless, the new CC law of late 2009, as well as the creation of the Federal Council and the promotion of "*comunas*" (in which several CCs unite), addressed some of these problems. For example, the 2009 law includes new regulations to prevent corruption and outlines the processes for elections, community planning, and revoking the mandates of spokespeople who engage in corruption or other misconduct; the *comunas* (and the Federal Council) may help address the issues of the overly microlevel focus and the lack of coordinated planning; and the Federal Council may help address the issues of autonomy and political pluralism, since it consists of elected representatives of the communal councils sitting alongside the governors of the states and a mayor from each state (who come from different political parties), as well as national government ministers and representatives of social movements. Given that only one of the social movement representatives will come from the labor movement and that business representatives are excluded while governors and mayors are included, Venezuela's planning council differs significantly from the economic development councils in Brazil and Uruguay.

Evaluating the CCs is difficult. There is a great deal of diversity across the thousands of CCs; some CC members view them as means of obtaining resources for minor community improvements, some as leading to a new socialist model, and some as a source of new party members (García-Guadilla 2007). Two of the broadest empirical studies, involving 18 CCs in Caracas and 72 CCs in Trujillo, respectively (Díaz 2007; García-Guadilla 2007), reach a similar conclusion, that the rhetoric of participatory democracy and local empowerment does not match the results. Most strikingly, according to Díaz (2007, 12), the CCs did not even select their own projects according to their own criteria; instead, despite different contexts and needs, all of the first projects financed were related to infrastructure, all of the second projects were for housing, and each project received the same amount of money. Yet public opinion survey results show that some of the critics' concerns are overdrawn. The study by Hawkins and co-workers (2008), for example, suggests that spokespeople are democratically elected, that citizens view the CCs relatively favorably, that they mostly do not wish to replace municipal governments with CCs, and that both Chavistas and non-Chavistas participate at high rates, with 60% of the former and 43% of the latter having attended a CC meeting (in areas that have a CC). Another study of 1,138 CC members in cities throughout Venezuela (Machado 2008) shows similar levels of political pluralism and favorable opinion; it also reveals that the CCs and their projects almost universally were initiated by community members rather than government

officials and that the CCs' projects were quite diverse, including those aimed at improvements in housing, water and sanitation, electrification, sports facilities, schools, streets, and parks.

Overall, it would be difficult to argue that the myriad new participatory institutions consistently contributed to democratic stability. For many in the political opposition, they represented a threat, especially initially, and thus contributed to the sometimes violent reactions against the government. At the same time, the reasonably high rates of participation by non-Chavistas in the CCs suggest that at least some of them may serve as a space for defusing the political polarization that has threatened democracy. In terms of deepening democracy, the opening of dozens of new participatory channels and the millions of people who took advantage of them have allowed for improvements in the quality of local democracy; yet at the national level, most policymaking remains highly centralized and top-down. The proliferation of participatory experiments may help explain why Venezuelans tend to view their democracy and their government more favorably than any other Latin Americans, with the exception of Uruguayans on some measures.[9] Venezuelans' "satisfaction with the functioning of democracy" has generally been higher than the Latin American average throughout the Chávez term and invariably higher than it was before Chávez, when Venezuelans usually ranked lower than the Latin American average on satisfaction with democracy.[10]

Conclusion

For the Left's radical democrats, the difficult combination of participatory and representative institutions remains elusive. In the terms laid out by this volume's editors, none of these cases of left government can be considered to have radical democratic orientations at the national level. The Lula administration maintained a liberal democratic orientation and had little success with its relatively modest efforts to create new participatory institutions. And prospective radicalizing or deepening democracy in Brazil appears unlikely under the PT as it currently exists. While the Vázquez administration also maintained a predominantly liberal democratic orientation, it experienced greater success with expanding opportunities for popular participation, although under a rather corporatist framework more in line with social democracy than with radical democracy as envisioned at the local level. The potential for future moves toward radical democracy remains more alive in Uruguay under successive FA governments than it does in Brazil. Finally, the Chávez administration has had a predominantly plebiscitary orientation toward democracy, as the editors contend, yet a radical democratic orientation continues within some sectors of Chavismo, especially at the grassroots level. The participatory channels in Venezuela remain in a constant

battle between efforts of control from above and exertions of autonomy from below; the outcome of that battle will determine the consequences for deepening democracy. Attempts to deepen democracy throughout Latin America are now constrained both by the defenders of representative institutions, who resist the introduction of participatory institutions, and by plebiscitarians in the new left governments, whose efforts to control participation undermine both participatory and representative democracy.

NOTES

1. In other cases, of course, the experiences failed (Goldfrank 2007b; Wampler 2007).

2. This is not meant to suggest that left-leaning parties are in power in local governments throughout the region, but that in most countries there is a strong left presence in municipal governments, which could not be said in the 1980s or in previous democratic eras.

3. If, for example, participatory budgeting was relatively successfully implemented in the Brazilian state of Rio Grande do Sul, with 10 million people (Goldfrank and Schneider 2006), why could something similar not succeed in Uruguay, with its 3 million people?

4. While the PCV and the MAS were relatively old parties, together they received less than 10% of the vote in the election to the lower house in 1998. The MVR and the PPT, with 19% and 3% of the vote, respectively, were new parties created in 1997.

5. Most "new unionists" who had supported the Radical Cause (LCR) stayed with that party when the PPT split off.

6. According to Schmidt (2006, 32, 58–61), most of the national councils manage government funds or administrative programs. Roughly 30 are concerned with rights and social policies.

7. On the initial council in 2003, business sectors represented 50% of the membership and the state of São Paulo 51%. Only eight women and one Afro-Brazilian sat on the CDES.

8. The Asociación Rural del Uruguay (ARU) was especially upset about the new collective bargaining law that gave salary councils the right to negotiate "working conditions" (ARU 2008, 3; quotation marks are in the original).

9. According to the Latinobarómetro (2007), Uruguayans and Venezuelans are by far the most satisfied with their democracies, at 66% and 59%, respectively, compared to a 37% average for Latin America and only 30% for Brazil. Venezuelans are first in considering that the government seeks the welfare of its people (70% compared to the 53% Latin American average) and acts in the interests of all the people (48% versus 25%).

10. From 1995 to 1998, the percentage of Venezuelans surveyed who were "very satisfied" or "satisfied" with democracy averaged 34%, compared to 36% for all of Latin America, and compared to 48% for Venezuela and 32% for Latin America in the 1999–2007 period (my calculations from Latinobarómetro 2006, 74; 2007, 88).

CHAPTER EIGHT

The Left and Citizenship Rights

DEBORAH J. YASHAR

The Left is defined, at its core, by its commitment to advance the rights of the poor and disenfranchised. Through redistributive social and economic policies, the Left has classically aimed to ensure that citizens' basic needs are met so as to advance a more just and equal society. This general statement, however, begs the question of how the Latin American Left has viewed and prioritized that commitment.

To address this question, this chapter explores how the Latin American Left has articulated and advanced citizenship rights.[1] I make two broad claims. First, I argue that the Left's view of citizenship rights is historically contingent and internally diverse. The chapter therefore starts off by charting out this variation and emphasizing a general shift in how the Left has prioritized the classic rights of citizenship. Whereas the Left once privileged material and social rights above all else, it has moderated this stance in the third wave of democracy. In tandem with this moderation, we have seen the Left privileging political and civil rights that it once understood in largely instrumental terms.

Second, I argue that the Left's understanding of citizenship rights has been narrow, as it has historically disregarded two core issues, identity and security, that today are politically salient in the region. In the main part of the chapter, I discuss why security and identity are integral to citizenship and how the Left has recently and belatedly turned to address them. The 20th-century Left historically identified these concerns as either anachronistic (when referencing identity concerns) or conservative (when talking about public security). It is no longer possible to stereotype these identitarian and security issues this way; on the contrary, these two issues have become core contemporary concerns for Latin America's poorest citizens. Strikingly, these "new" issues have required the Left not only to expand its agenda but also to revisit classic debates about the preferred role of the state vis-à-vis its citizenry.

Citizenship: Conceptual Background

What, then, are citizenship rights? This deceptively simple question has no simple answer, especially for the Latin American Left. Indeed, the answers to this question have been ideologically and historically contingent, as ideas have changed about who is or can be a citizen and what rights citizenship entails. To structure this discussion, I reference T. H. Marshall's classic work (1963), which provides a useful heuristic for subsequently discussing how various Lefts have thought about citizenship and how those ideas have changed over time.

Marshall argued that citizenship entails three different kinds of rights: civil, political, and social. *Civil rights* are "the rights necessary for individual freedom" and have come to include freedom of association, expression, faith, and religion as well as freedom to own property, engage in contracts, and seek justice (Marshall 1963, 71). *Political rights* refer to the right to take part in government, whether by participating through elected government or by exercising the right of suffrage (72). *Social rights* refer to "the whole range from the right to a modicum of economic welfare and security to the right to share to the full in the social heritage and to live the life of a civilized being according to the standards prevailing in the society; the institutions most closely connected with social rights are the educational system and the social services" (72). By assuring a certain standard of living, social rights are designed to provide the poor with the opportunity and the resources to act equally as citizens. It is not that all people should live like equals, according to Marshall, but that all should live above a certain line. In this regard, Marshall acknowledged and accepted that citizenship can provide the architecture for legitimating social inequality (70, 106) and, by extension, capitalism. Capitalism is not undone by citizenship, according to Marshall; it is simply tamed.

While Marshall derived this understanding of citizenship from the British experience, the scope, sequencing, and depth of citizenship in other cases (including those in Latin America) have not occurred in the sequential and nonconflictual ways outlined by Marshall. Particularly in the developing world, citizenship rights have generally been granted sparingly, simultaneously, in a different sequence, or intermittently (O'Donnell 2001). In other words, there is no simple and universal logic to citizenship in the 20th century.

Viewed comparatively, therefore, the *content* of citizenship is a *political* issue, one over which the Left and the Right have historically battled. This is nowhere more evident than when addressing the role of social rights and whether the state should intervene to promote them. Classically, the Left has claimed that the state should intervene to correct market externalities and soften inequalities (which are by-products of capitalism rather than results of individual shortcomings);[2] the Right has generally argued

that increased state intervention in the economy curtails liberties, creates unnecessary dependencies, and assumes responsibilities for personal shortcomings. In other words, the very understanding of citizenship rights has historically been framed by partisan and ideological positions about social rights, in particular, and the role of the state in society, in general. In this sense, the content of citizenship has been subject to enormous variation across time and across region.

Given the debates over citizenship, therefore, any discussion of citizenship must account for the content of citizenship and the role of the state in defending it. Marshall's categorization of three types of rights provides an extremely useful heuristic for doing so, as much for what it highlights as for what it leaves out. After briefly discussing the Left's competing and changing understanding of citizenship rights, I turn to discuss how the unrelated prevalence of violent crime and ethnic politics pose new and weakly addressed frontiers for the Left's conceptualization of citizenship and of the state's role in defending the rights demanded by citizens.

The Left and Citizenship

The "Left" in Latin America has historically shared a common point of departure. Starting with the premise that capitalism was generating deep and structural inequalities that were normatively problematic, the Left believed that it was a political imperative to try to reduce or erase these inequalities and to provide each human being with a minimum standard of living, one that would allow each individual to meet basic needs (to each according to his need, not according to his ability); this is what Marshall would have identified as social rights, what he saw as the right of each individual to lead a minimally dignified life. Basic material conditions, therefore, were projected as social rights for all citizens. States had the responsibility to provide for and defend these rights.

Yet, the Left has never been cut out of one cloth, certainly not when it comes to ideas about citizenship and political strategies. This section highlights various ways in which the revolutionary, social democratic, and populist Lefts in Latin America diverged in prioritizing citizenship rights. For if the Left as a whole shared a commitment to advance some ideal of social rights (advancing greater equality and inclusion) in response to a condemnation of the structural inequalities generated by capitalism, the same could not be said for the other two citizenship rights identified by T. H. Marshall. Historically speaking, the Left has held diverging ideas about political and civil rights, discussed next.[3]

The Left Prior to the Third Wave of Democratization: 1930s–1980s

The 20th-century Latin American Left was quite diverse but can broadly be categorized as revolutionary, social democratic, and populist Lefts. The *revolutionary Left* encompassed both successful (Cuba, 1959 to date; and Nicaragua, 1979–90) and unsuccessful (Guatemala, El Salvador, Colombia, and Peru, among others) armed movements. Despite significant differences across countries, the revolutionary Lefts fundamentally believed that the existing system was not only deeply unequal but structurally incapable of reform from within.[4] The goal, therefore, was to overthrow the existing political system and transform capitalist systems into more equitable ones. What was to follow was not always clear. But at base all of these movements emphasized that class rights were central and that citizenship would be most advanced where the state took the lead in promoting and defending greater equality. Inspired by the Marxist idea from each according to his abilities, to each according to his needs, the revolutionary Left sought to level the playing field by increasing state ownership, redistributing property, and expanding social services (although of course doing so created other kinds of inequalities within these systems). While Cuba was the only country to sustain a regime on this basis, the Sandinista revolution also followed for a decade with a mixed-economy approach. Failed revolutionary movements in other countries also maintained the platform that material (a form of Marshall's social rights) was far and away the most important goal. Implicitly, therefore, citizenship was reduced to the idea that states and citizens were obliged to provide for one another, materially and socially. Respect for political and civil rights was secondary to this economic and materialist goal, as also noted by Levitsky and Roberts in the introduction to this volume. In this context, political and civil rights were occasionally sacrificed, as in Cuba.

The *electoral Marxist or social democratic Left* (including some communist parties) shared with the revolutionary Left a commitment to social rights and a belief that the state had to play an active role in pursuing these ends.[5] Unlike the revolutionary Left, however, the electoral Left (especially in Costa Rica and Chile) believed that those ends could be pursued within the existing system, advancing social rights in the context of democracy and capitalism. Indeed, rather than dismiss democracy as a bourgeois shell for capitalism, social democratic parties saw an opportunity to compete for power, gain office, and reform policies—as was happening in Europe. This electoral Left announced respect not only for social rights but also for the political and civil rights that are at the core of liberal democracy. In practice, political and civil rights were occasionally constrained, but it was argued that this was a necessary but brief deviation. In an ironic and tragic twist of fate, Left-affiliated presidents in Latin America were more often than not overthrown by political elites and the military.

Finally, the *populist Left* was rarely informed by Marxism and unevenly committed to universal rights, but it did nonetheless take the lead in promoting social programs that ultimately increased the material living conditions of many who had historically been excluded (e.g., the famous *descamisados* in Argentina). The populist Left advanced corporatist projects and used a language of universality (appealing to the people). But in practice, left populists often tended to advance their political project by extending contracts to favored unions and distributing goods to those who expressed loyalty—with emphasis sometimes placed on goods distributed by the leader or the party rather than services extended as a basic right of citizenship.[6] Otherwise stated, a social commitment was in evidence, but in practice populists did not necessarily distribute benefits equally and accountably across unions and citizens. Populists, moreover, expressed a fairly ambivalent attitude toward political and civil rights, as evidenced by the now well-charted history of populist Lefts that rose to power in elections and then foreclosed those spaces (Juan Perón in Argentina); populist Lefts that started off in authoritarian cases and then reemerged under democracy (Getúlio Vargas in Brazil); populist Lefts that lost in elections and then deployed violence in subsequent rounds (Raúl Haya de la Torre in Peru); and then populist Lefts that were elected and relinquished power at the next election (Lázaro Cárdenas in Mexico). In short, this classic set of populists does not necessarily share an underlying commitment to political and civil rights, per se, even if they articulate an underlying commitment to improving the material lot and status of the masses. Indeed, in reviewing these cases, one can see that the populist Left mediates the language of rights (which inhere in citizens as members of a polity) through a language of personalism (which grants the leader the ability to mediate the delivery of goods associated with those rights).

Hence, prior to the third wave of democratization, the revolutionary, social democratic, and populist Lefts shared a commitment to some form of social rights, but their commitment to political and civil rights was more ambivalent—strongest among the social democratic Left; weakest among most revolutionaries; uneven among the populists.

The Left in the Third Wave of Democratization: 1980s to the Present

The contemporary Left's vision of citizenship rights has changed quite significantly in the third wave of democracy.[7] While there has been an increasing respect for political and civil rights (the very issues that were variable in the earlier period), the Left has reconsidered whether and how it can commit to advancing social rights (the very point that was relatively constant in the prior period).

First, we see greater valorization of political and civil rights, in no small part as a

reaction against the harsh authoritarian repression and human rights abuses experienced in the Southern Cone and Central America from the 1960s to the 1980s; in both of these regions, various Lefts (revolutionary, social democratic, and populist alike) have come to place much greater emphasis on political and civil rights as fundamental parts of their agenda—that is, inherently valuing liberal democratic rights as integral to the project of the Left rather than seeing them as epiphenomenal (and therefore purely instrumental to the achievement of other more fundamental goals of social and economic transformation).[8] While revolutionary and populist Lefts previously saw these rights as dispensable bourgeois luxuries or facades, the human rights abuses highlighted how consequential these rights are in practice. Indeed, in all cases that witnessed severe human rights abuses at the hands of authoritarian security regimes (Guatemala, El Salvador, Argentina, Brazil, Chile, and Uruguay), revolutionary left parties and movements fundamentally changed their positions, either modifying their public position toward civil and political rights or fading into electoral obscurity. As Levitsky and Roberts highlight in the conclusion to this volume, however, this respect for democracy has not included an underlying commitment to radical or participatory democracy—contemporary examples of participatory budgeting and mobilization notwithstanding.

In contrast to those countries that experienced repressive military rule, the Andean countries (many of which experienced military rule that oversaw redistributive policies) have articulated a much more ambiguous relationship with liberal democracy and citizenship, sometimes forsaking representative institutions in favor of more direct plebiscites, more participatory politics (especially in Bolivia), and, at times, *caudillismo* (especially in Venezuela and at times in Ecuador). That said, significant political differences exist between left governments in the Andean region, particularly once we look at the question of institutionalization, leadership, and social mobilization (see the introduction); indeed, Levitsky and Roberts refer to Hugo Chávez's government as a populist Left and Evo Morales's as a movement Left, with the latter exhibiting greater accountability to its electorate. Chávez has occasionally shown disrespect for civil and political rights and has built his political base from above—emerging as an outsider, deploying neopopulist and clientelist measures, and building his social base while in office, although leaving space for a "vigorous opposition" in civil society (see the conclusion to this volume). Morales, by contrast, has exhibited a general commitment to political and civil rights. Having risen through the ranks of an indigenous/peasant/*cocalero* social movement, he helped to build a grassroots base for his party before running for office as a Movement toward Socialism (MAS) candidate.[9] The MAS party goal has been to build institutions that support new programs and patterns of politics (tied to communities rather than clientelism). While Morales did deploy questionable tactics in the Constituent Assembly, his overall commitment

to political and civil rights seems relatively strong, even if it has been unconventional. As such, Morales seems committed to upholding the Marshallian trilogy of rights (each in equal measure), while Chávez seems most committed to social rights above all else, as discussed below.[10] Ecuador's President Rafael Correa's origins appear closer to Chávez's than to Morales's, given Correa's election as an outsider, his weak social movement base, and his top-down style of governance; thus far, he seems to have an ambivalent respect for liberal democratic institutions and the political and civil rights that undergird them.

Second, we find that if the contemporary Left has largely increased its respect for political and civil rights, the contemporary Left has had a much more varied relationship with social rights, the very core that historically defined the Left's vision of citizenship in the period prior to the third wave of democratization. The 1980s economic crisis and the neoliberal policies pursued in the 1990s forced a reexamination of social rights, since the new economic constraints posed serious questions about the sustainability and political viability of existing social services. Social rights were defended in theory; but when juxtaposed with concerns about fiscal solvency and balanced budgets, social programs were cut or weakened in the 1980s and 1990s. As such, economic exigencies limited the idea of social rights, and social programs were downgraded from rights to needs; needs were met when possible, but social programs were not guaranteed, nor were they universal. The bait-and-switch politics of the 1990s highlighted how porous the Left's relationship was to social rights in this decade (Stokes 2001).

Yet the late 1990s and the 2000s have ushered in a new Left (perhaps as a reaction to these earlier policies) that expresses a renewed, if more moderate, commitment to social rights. The contemporary Left in office has sought distance from the neoliberal orthodoxy by increasing expenditures, coverage, and labor market policies (Levitsky and Roberts's introduction). In many countries, in the wake of the economic crisis, the Left has effectively supported targeted and demand-driven social programs—expanding them where possible, as we have seen in the cases of Chile's health reforms under Ricardo Lagos and pension reforms under Michelle Bachelet—rather than universal rights-based ones (see Nam 2009; chapter 3 of this volume). Various authors in this volume highlight the kinds of programs that are being pursued in Brazil and the Southern Cone (see chapters 3, 5, and 13, for example). These programs stand out for their gradualist orientation and attention to fiscal solvency—although Huber and Pribble in chapter 5 emphasize how the pension and health care reforms in Chile and Uruguay have made significant progress toward universal coverage.

The contemporary Andean Left has articulated a different approach to social rights than the South American and Central American Lefts have. Rather than start with a concern for market constraints, some Andean left politicians (Chávez and

Morales, in particular) have put social rights at the center of their policies and at times have ridiculed the constraints of the market. Why have these two cases advocated a greater state role in redistribution just as the rest of the region has become wary of such programs? Two plausible arguments are worth considering: (1) it seems certain that the commodity booms experienced by Venezuela and Bolivia have provided the state with the revenue to initiate such programs (see Hunter 2007; Weyland 2009; chapter 3 of this volume); and (2) social programs and statist sectors in these two countries were comparatively weaker than those found in the other more "moderate" left cases; in this regard, Venezuela and Bolivia seem to be approaching the levels and scope of existing Southern Cone nationalization policies (and social programs) rather than radically surpassing them (Berrios, Marak, and Morgenstern forthcoming). The combination of these two points makes Venezuela and Bolivia particularly fertile ground for more radical rhetoric and policies about material redistribution, nationalization, and revolution. That said, it is reasonable to question the sustainability of these policies, given that international commodity booms are not a stable equilibrium. Moreover, the programs do not always match the rhetoric; in Venezuela, in particular, Chávez's programs are often more clientelist and targeted than universalist in practice.

In short, the understanding of citizenship in the third wave has seen a reconfiguration for the Left. No one part of the Left equally privileges civil, political, and social rights. While authoritarian rule led to a revalorization of political and civil rights (among former revolutionaries and former populists, with the electoral Left already having demonstrated its commitment in the earlier period), the 1980s economic crisis and the following period of neoliberal reforms led to a decline in the primacy placed on social rights among all three versions of the old Left. This last point is precisely what has prompted charges that the old Left is no longer leftist (with countercharges that the new populist Left is unsustainable and undemocratic). Yet if the Left is no longer defined by its unwavering commitment to social rights (and material redistribution) above all else, then are we simply left with a spatial Left, defined purely by its position relative to other parties? The Left has been working hard to identify that core, in electoral races, party congresses, and think tanks. In response to historical legacies and contemporary global pressures, it is predictably seeking to balance fiscal responsibility with ideas about social rights.

Contemporary Challenges and Citizenship Rights

The contemporary period has therefore witnessed important changes for much of the Left as left parties and governments reshuffle and reformulate their understanding of citizenship and the rights associated with it. Yet the contemporary period has been

more than a question of reshuffling priorities among Marshall's trilogy of rights (a task discussed in the previous section); it has also been a reckoning that class cleavages coincide with other fundamental cleavages and societal concerns that have compelled the Left to consider expanding its understanding of rights and core constituencies. Indeed, rising concerns about two very distinct issues, ethnicity and security, have created new challenges for how we think about citizenship and, by extension, have compelled the Left to (re)position itself vis-à-vis these issues. The Left has not been at the forefront of these discussions. It has assumed a reactive role, until recently.

Ethnic Politics and Citizenship Claims

Levitsky and Roberts, in their introduction, rightfully note that "the Left refers to political actors who seek, as a *central programmatic objective,* to reduce social and economic inequalities. Left parties seek to use public authority to redistribute wealth and/or income to lower-income groups, erode social hierarchies, and strengthen the voice of disadvantaged groups in the political process." While this definition rings true when talking about class, it rings rather hollow when talking about ethnicity and race. Indeed, the various Lefts have been historically and notably silent on questions of ethnicity and race.[11] In retrospect this might seem surprising, given that indigenous and Afro-Latin citizens tend to be overwhelmingly poor and among the most disadvantaged materially, socially, and politically.[12] Yet, Latin American left parties have historically presumed that with overlapping cleavages, class politics trumped ethnic and racial identities. As such, the Left's discourse and politics did not envision or allow for a multicultural view of citizenship. Ethnic identities were viewed as anachronistic, and the Left presumed that the winds of economic modernization or time would result in the displacement of ethnic identities by class ones. As such, where left parties mobilized indigenous peoples in the cities, they presumed that ethnic identities were already in retreat in the face of more national and class-based identities. And where they mobilized in the countryside, they viewed indigenous people as peasants—mobilizing indigenous people into class-based unions, cooperatives, and collectives. Indeed, in retrospect the Left's narrow assumptions about ethnicity overlooked the ongoing salience and changing political significance of ethnic identities, which coexisted alongside class-based forms of political organizing.

As a result, the Left was initially unprepared to respond to the rise of indigenous movements and parties in the last third of the 20th century. Conflict emerged in Nicaragua, for example, between the Miskitu Indians and the Sandinista National Liberation Front (FSLN) government over conflicting views of ethnic and class-based claims (Hale 1996). Important indigenous movements, moreover, emerged in Bolivia, Ecuador, Mexico, Guatemala, and elsewhere that demanded a reconfiguration of citi-

zenship and the terms of representation. These movements articulated a "postliberal challenge" that demanded (1) constitutional recognition that national identities *coincide with* ethnic and racial ones;[13] (2) legal recognition that there should be multiple units of political representation, including individual citizens and ethnic communities;[14] and (3) legal pluralism, respecting national and indigenous jurisdictions and jurisprudence—including the right to territorial autonomy (Yashar 2005). By the end of the 20th century, indigenous movements and parties had fundamentally reshaped Latin American politics in many countries, not only mobilizing new political cleavages and constituencies and articulating new demands and agendas, but also leading political coalitions that came to include (but were not reduced to) classic left agendas (Brysk 2000; Pallares 2002; Sieder 2002; Mattiace 2003; Postero and Zamosc 2004; Van Cott 2005; Yashar 2005; Lucero 2008; Madrid 2008).

From the perspective of this chapter, several points are worth noting. First and foremost, Left parties were clearly followers rather than leaders of these ethnic movements to redefine citizenship. Not only did class-based organizing largely fail to seriously engage ethnic agendas in earlier decades, but many left leaders at times treated indigenous activists as second-class citizens. Once indigenous activists mobilized (and in many cases gained control of traditional left unions), they expanded the union agenda to include ethnic respect and recognition. These kinds of demands motivated the postliberal agenda noted previously.

Second, the Left has had to reconsider electoral politics in light of an increasingly mobilized electorate demanding some form of postliberal and multicultural citizenship. Left parties can no longer presume (if they ever could) that the indigenous constituency is electorally insignificant. As indigenous movements (and some indigenous political parties) have gained momentum and political stature in electoral politics, left parties have vied more actively to capture an increasing share of the indigenous vote, particularly in countries that expanded the suffrage by eliminating literacy restrictions (Peru in 1979 and Ecuador in 1980), in countries that confronted significant indigenous mobilization and the formation of indigenous or multicultural parties (Ecuador and Bolivia), and in countries where the indigenous vote was viewed as crucial to the presidential outcome (Guatemala in 2007). In other words, the Left has not taken up the ethnic agenda until it needed to win that constituency, a point argued forcefully by Sarah Chartock (2008) in her work on ethnodevelopment. She highlights how and where the Left (and then the Right) put ethnodevelopment on the agenda as a way to gain an electoral advantage. It remains less than certain that this strategy will work for the old Lefts in the long term, since we have seen the declining strength of a range of old left parties such as the Movement of the Revolutionary Left (MIR) in Bolivia and the Guatemalan National Revolutionary Unity (URNG) in Guatemala.

Third, the Left has engaged in a fair amount of experimentation in the 2000s, par-

ticularly in the Andes, where Bolivia and Ecuador represent divergent left responses to equally strong indigenous movements. While Bolivia's example includes a multiclass and multiethnic left coalition, as argued by Madrid (2008; chapter 10 of this volume), Ecuador's example highlights left candidates (rather than left parties) that have had a tense relationship with indigenous movements. Let me elaborate on these divergences.

Bolivian president Evo Morales cut his political teeth in social movement organizing among a combination of indigenous peoples, *cocaleros,* and leftist union movements. As such, he came to the legislature and later the presidency as a movement leader who successfully mobilized indigenous peoples and popular sectors. With significant popularity (although not without internal dissent), Morales has advanced citizenship rights with an eye toward social rights but importantly has also taken the lead in forefronting indigenous rights in the Constituent Assembly and in granting indigenous territories as part of the land reform. Morales thus emerges not only as part of the "left" wave but also as a leader in advancing citizenship rights for indigenous peoples (with an eye toward both ethnic equality and ethnic rights that include land reform, local autonomy, bilingual education, and the recognition of indigenous systems of justice). The new constitution (ratified in 2009) recognizes plurinationalism, indigenous judicial systems, indigenous autonomy, and cultural rights (see chapter 10).

Ecuador's contemporary left candidates, by contrast, have had a more strained relationship with the country's main indigenous movement, the Confederación de Nacionalidades Indígenas del Ecuador (CONAIE) and its political party (Pachakutik). Ecuador has twice elected a president with the backing of the country's indigenous movement(s), only to find conflicts emerge; CONAIE and Pachakutik withdrew their support from former president Lucio Gutiérrez when he was seen as reneging on his commitments to them; some indigenous organizations also distanced themselves in July 2008 from President Rafael Correa. Indeed, Correa has not included indigenous movements as an organic part of his constituency or policies (chapter 11). Ecuador's main indigenous movement, CONAIE, did not initially support Correa in the first round of elections, choosing to run Luis Macas as the Pachakutik candidate; it endorsed Correa in the second round but did not become part of a grand coalition; and while the movement supported Correa's goal of a constituent assembly, it withdrew support in 2008 over how to define "plurinational" or multicultural (and whether the latter would include the government's obligation to seek authorization from indigenous people to pursue natural resource policies such as oil exploration, logging, and hydroelectric dams on their lands) and over the mining law.[15] Correa, for his part, took advantage of rifts within the indigenous movements as tensions with indigenous movements persisted in 2009 with regard to the new water law and

mining plans.[16] He has therefore distanced himself from the indigenous agenda put forth by Ecuador's main indigenous confederation; while advocating equality for all peoples (including indigenous peoples), he has rejected claims about territorial rights and, according to Conaghan in chapter 11, has mocked Pachakutik as a group that no longer holds clout.

So, while the contemporary Bolivian Left has grown up organically with(in) the indigenous movement, the contemporary Ecuadorian Left has maintained its distance not only from Ecuador's indigenous movements but also from the latter's claims to expand and redefine citizenship rights.

Fourth, with the promotion of a postliberal and multicultural agenda, the Left has had to reconsider the unitary role that it once attributed to the state.[17] The Left's view of citizenship presumed that the central state would be the entity to define and uphold citizenship. The postliberal agenda outlined by indigenous movements presumes a more decentralized state, but it is not a decentralized state that is solely reducible to delegating power in a unitary way to subnational units (municipalities and provinces or states); rather it is a decentralized version that would cede unique power to indigenous jurisdictions (some falling within or across existing political administrative boundaries) that might hold different visions of citizenship, development, and justice. Ethnic calls for autonomous jurisdictions have thus required the Left to reconsider its once national, centralized, and unitary view of the state. The Left was ill equipped to address these ethnic agendas because it had overlooked ethnic claims in the past, but also because its statist vision of citizenship and development did not allow it to take questions of ethnic autonomy and representation seriously. Alongside neoliberalism and decentralization, therefore, multiculturalism has challenged the Left to consider what a more decentralized and postliberal state can and should do.[18]

In sum, contemporary politics has highlighted that the "poor" in Latin America are not reducible to class and that the partisan Left was relatively late and ambivalent in addressing ethnic claims to expand citizenship rights. While ethnic politics has had a minimal impact on left politics in countries with small indigenous populations, ethnic politics has come to play a more critical, if varied, role in countries with majority or plurality indigenous populations, such as Guatemala, Bolivia, and Ecuador, all of which are governed at the time of this writing by left-identified politicians who garnered significant portions of the indigenous vote. Lefts in these three countries have reframed their political vision of citizenship as one that encompasses multiculturalism. This is at the heart of what Evo Morales and MAS were trying to do in Bolivia's Constituent Assembly. Guatemalan president Álvaro Colom also invoked ethnic claims as one of the leading goals of his administration: after his electoral victory and again at his inauguration, he announced that he wanted Guatemala to be-

come the model of a "social-democratic country with a Mayan face." While Colom's ideological agenda and political commitment remain uncertain, no one can doubt the continental need to consider what the links between social democracy, ethnicity, and citizenship will entail in the current period.

New Patterns of Violence: Calls for Citizen Security

As the Left has been slow to address contemporary ethnic claims about citizenship, most of the Left has also been slow to address citizen security in the contemporary face of rising violence and mass concerns about personal safety. The face of violence in Latin America has changed dramatically in recent decades. While the data is poor, the trends are clear. Three decades ago, Latin America was scarred by authoritarian regimes marked by widespread political violence. Political assassinations, disappearances, and lack of habeas corpus were commonplace in many countries, particularly El Salvador, Guatemala, Argentina, Brazil, and Chile. With the transition away from authoritarian rule in most of the region, violence has taken different forms. There has been a sharp decline in human rights abuses. While state violence is not entirely a thing of the past, its scope and intensity are markedly different from a few decades ago. The power of militaries to subvert civilian control, engage in widespread human rights abuses, and act with impunity has been seriously diminished. In this context, Latin America's third-wave democracies have promoted deeper and more meaningful patterns of citizenship—with citizens gaining the basic political and civil rights that were so violently denied them in earlier decades, and with the historical Left that suffered human rights abuses entering this period by clearly prioritizing and valuing political and civil rights as fundamental (rather than instrumental) goals, as noted earlier.

Despite these advances in civil and political rights, citizen security has not been achieved in the contemporary period, and the Left has been slow to address this issue. The past 15 years have seen a startling rise in new patterns of violence in several Latin American countries. Non-civil-war-related homicide rates in particular have reached disturbing levels in much of the region. Based on these contemporary trends, Latin America consistently stands out as one of the most violent regions in the world. "While the global average in 2000 was a homicide rate of five per 100,000 habitants, the estimated average for Latin America was 27.5, the highest for any region in the world," according to the World Health Organization (Krug et al. 2002). Moreover, Central America claims the infamous distinction of being the most violent region in the Americas: in 2005 homicide rates reached 44 per 100,000 in Guatemala and around 60 per 100,000 in El Salvador and Honduras, according to the United Nations Development Program (2007). While some sources cite an increase in violence, it is

also important to heed the warning by Comaroff and Comaroff (2006, 219) that "police statistics everywhere are erected on an edifice of indeterminacies and impossibilities."[19] Tables 8.1 and 8.2, for example, illustrate the high homicide rates in several countries and the variation across cases, as well as the apparent underreporting in some of the cases. A range of international organizations (including the PanAmerican Health Organization regional office of the World Health Organization, the Inter-American Development Bank, and the United Nations Office on Drugs and Crime) and national sources indicate that national homicide rates are startlingly high in El Salvador, Guatemala, Honduras, and Colombia, with shockingly high municipal rates in these same four countries as well.

Many Latin American democracies (alongside several other third-wave democracies, notably South Africa) have demonstrated an uneven ability to address this violence. In some cases, state organizations and other actors are implicated in the very violence they are supposed to limit; in some of these same cases, judicial and police institutions are captured, wracked by corruption, staffed by poorly trained personnel, running with limited resources, and subject to political whim. Moreover, we have seen the emergence and growth of parastatal organizations, some illicit (gangs, organized crime), others not (local community organizations).

In response, public opinion polls regularly highlight the depth of concern about the violence that has now become brutally commonplace in many parts of Mexico, Central America, Venezuela, and Brazil. The concern is not only about homicides but also about carjackings, bodily assault, theft, and kidnappings, to name a few. Unsurprisingly, the high levels of violence have generated widespread insecurity. When asked to identify the most important problem facing the region, people identified unemployment as the top concern, followed by crime, according to the 2005 Latinobarometer poll; most people (57% of those polled) saw the former as a cause of the latter (UNODC 2007, 28). As victimization surveys highlight, insecurity is a basic concern, even in countries experiencing relatively low levels of violence. While civil rights are a de jure right, fear of violence leads people to presume that it is a nonexistent right, and, in response, citizens and foreigners alike radically alter their movements, patterns, and associations to try to shield themselves from the violence that is taking place. This insecurity has fueled the significant rise in private security firms. In fact, "private security officers outnumber the police in all six Spanish-speaking Central American countries. These companies are often owned by serving or former members of the police or security forces" (UNODC 2007, 82). Indeed, private security firms are now a common fixture in many parts of the region. Yet the rise of private security firms highlights the depth of inequalities, since the poor are the most affected by the violence and yet are the least capable of purchasing the private security that is now a commodity for the rich alone (Holston and Caldeira 1998).

Table 8.1.
Homicide rates in the Americas, 1995–2008 (per 100,000 inhabitants)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Argentina	4.2	4.7	4.8	4.7	5.3	5.8	7.0	7.6	7.3	5.8	5.2	5.0	4.5	4.4
Brazil	25.7	27.0	28.7	29.5	30.4	29.7	31.4	32.3	33.1	31.1	29.2	31.2	29.3	29.9
Chile	3.2	3.0	2.5	2.8	3.0	5.1	5.4	5.3	5.2	5.3	5.8	5.6	4.5	
Colombia	76.6	80.1	75.0	80.1	80.7	80.7	83.6	89.1	72.8	65.6	52.5	55.3	54.0	
Costa Rica	5.2	5.5	5.6	5.7	6.1	6.3	6.1	5.8	7.3	6.5	7.7	8.0	7.1	8.7
Cuba	7.8	6.7	6.8	7.9	5.9	5.8	5.9	7.0	6.4	6.5	6.2	5.5	5.1	4.6
Dominican Republic	9.8	10.5	13.4	15.4	15.0	12.7	9.6	8.5	7.6	9.9				
Ecuador	13.4	16.1	12.5	15.3	17.7	16.9	15.9	16.3	13.8	17.9	18.4	21.2	20.7	21.7
El Salvador	51.2	52.3	45.5	53.2	50.7	45.4	43.7	42.5	43.0	57.7	61.3	63.8	65.9	64.2
Guatemala	19.7	21.2	28.7	26.2	18.0	19.3	20.0	23.7	27.8	27.5	34.6	33.3	33.8	40.7
Mexico	18.4	17.0	15.8	15.9	14.4	12.3	11.7	11.3	11.3	10.6	10.5	11.2	8.1	12.5
Nicaragua		11.7	11.7	10.0	13.0	13.0	13.7	12.5	18.7	18.8	17.5	13.2		
Panama		9.4	12.2	10.8	10.6	12.0	12.4	14.9	13.8	12.4	13.5	12.7	15.5	20.2
Paraguay	18.6	20.0	18.0	18.5	17.5	20.1	20.7	19.8	21.0	22.4	17.6	16.1	16.9	16.4
Peru	5.5	4.4	4.2	5.4	2.6	3.2	3.0	2.7	2.9	3.0	2.9	2.7	3.0	
Puerto Rico	25.1	24.9	23.4	21.3	17.4	17.7	19.7	18.8	19.1	18.5	19.3	18.3	18.1	
Uruguay	4.7	4.4	4.7	5.8	5.4	5.5	4.9		4.7	4.6				
USA	8.3	7.6	7.1	6.4	5.9	5.8	7.0	6.0	5.9	5.8	6.0	6.0	5.9	
Venezuela		14.8	14.1	13.7	19.2	29.3	29.4	34.1	34.6	32.5	31.9	32.8	34.7	

Sources: Organización Panamericana de la Salud, Unidad de Análisis de Salud y Estadísticas, Iniciativa Regional de Datos Básicos en Salud; Sistema de Información Técnica en Salud, Washington, DC, 2010, www.paho.org/Spanish/SHA/coredata/tabulator/newTabulator.htm.

Notes: The raw data are from Pan American Health Organization, Health Surveillance and Disease Management Area, Health Statistics and Analysis Unit, PAHO Regional Mortality Database. Rates based on World Population Prospects 2006, revised 2008.

Table 8.2.
Per capita homicide levels (per 100,000 inhabitants) in select cities, 1999–2003

Extreme levels		Medium levels	
Recife, Brazil	158	Porto Alegre, Brazil	24
Medellin, Colombia	104	Bogota, Colombia	23
Guatemala City	103	Lima, Peru	22
San Salvador, El Salvador	95	Curitiba, Brazil	20
San Pedro Sula, Honduras	90	Mexico City	18
Cali, Colombia	91	Quito, Ecuador	16
		Panama City	11
High levels		**Relatively low levels**	
Washington, DC	62	Santiago, Chile	6
São Paulo, Brazil	55	Buenos Aires, Argentina	5
Rio de Janeiro, Brazil	53		
Tegucigalpa, Honduras	48		
Brasilia, Brazil	38		
Salvador (Bahia), Brazil	36		

Source: Inter-American Development Bank, 1999–2003; reprinted in Mockus and Acero Velásquez 2004.

The high levels of violent crime, therefore, reveal that citizenship is not reducible to civil rights (liberalism and courts), political rights (democracy and legislatures) and social rights (welfare policies) but also requires the right to be physically safe (via some combination of rule-of-law institutions and preventive and rehabilitative social programs). The contemporary social science literature on citizenship seems to have neglected to discuss this most basic right of all: the right to be free from harm. Whether security is better understood as a prerequisite of citizenship (as currently conceived) or a fourth right of citizenship (as demanded on the streets) is still open to debate. What is certain is that one cannot fully exercise civil and political rights absent a minimal degree of citizen security. In practice, this dilemma is most transparent in impoverished urban areas, where crime is highest and states are often absent, corrupt, complicit, and/or weak. It is precisely this juxtaposition of the legal expansion of political rights and the de facto restriction that crime places on civil rights that is captured by Holston and Caldeira (1998) when they refer to Brazil's "disjunctive democracy." In Caldeira's book *City of Walls: Crime, Segregation, and Citizenship in São Paulo*, she describes it thus: "In fact, the universe of crime indicates the disjunctive character of Brazilian democracy in a double way: first because the increase of violence itself erodes citizens' rights, and second because it offers a field in which reactions to violence become not only violent and disrespectful of rights, but also help destroy public space, segregate social groups, and destabilize the rule of law" (2000, 52).

Where do the various Lefts stand on the issue of citizen security? How have they navigated the challenge of promoting a strong state response (police and courts) without falling prey to authoritarianism or charges thereof? How can they articulate a "left" response that is compatible with underlying concerns about equality, redistribution, and incorporation? The imperative to address contemporary violence poses an enormous challenge for the Left. The Left, alongside suspected left sympathizers, were primary victims of brutal human rights abuses during the earlier authoritarian regimes; so, too, the Left championed itself as a defender of human rights when fighting against dictatorship. Of course, security apparatuses were then the biggest abusers of human rights. And in many cases the police forces continue to abuse civil and human rights, including varying patterns of extrajudicial killings by the police (Brinks 2008). So it is perhaps not surprising that the Left has not prioritized whether and how to address contemporary citizen security issues, especially since these kinds of campaigns and policies raise thorny questions about how to promote citizen security without empowering the state institutions that previously violated human rights; indeed, these kinds of campaigns are often identified with the Right.

Hence, the citizenship question facing the contemporary Left is not only whether or how to reframe political, civil, and social rights but also how to address citizen security rights. The challenge is to defend democratic rights *and* build up states that can protect (rather than harm) citizens; to build up the rule of law rather than sacrifice it; to fortify a state that can provide, rather than ignore, the basic protection that Hobbes claimed states are supposed to provide; and to create social programs designed to prevent crime as well as rehabilitate and reintegrate ex-offenders. This is not simply a democratization issue of reigning in a repressive state (although that is obviously also necessary); it is also an issue of building up a capable and workable state that can provide for basic security without violating civil and political rights. Meeting the challenge requires, at a minimum, that the state establish that much-cited and seemingly elusive *legitimate monopoly* over the use of force in a given territory. Without states that do so, citizenship is not just low (O'Donnell 1993); it is curtailed, leading citizens to micromanage daily life in a whole new set of ways to minimize exposure to violent organizations—including street gangs, organized crime, and the state itself. In most cases, the governing Left originally responded anemically to citizens' concerns about public security and violence (Dammert and Díaz 2006; Gutiérrez and Policzer 2008).

The Right has not been shy to step forward with a set of policies to quash the violence. In recent years, *mano dura* (iron fist) policies have been promoted by politicians associated with the Right in El Salvador, Honduras, Guatemala, and most recently Mexico (with the election of Felipe Calderón).[20] In each of these cases, the Right has articulated a law-and-order discourse, increased police authority, occasion-

ally deployed military forces, and passed legislation that restricts the civil liberties of criminal suspects. The *mano dura* platform and policies have been electorally successful[21] (the 2007 presidential election in Guatemala is an important exception to this pattern), but they have not proved to be successful policies; they have not only failed to keep criminals off the streets but have arguably generated unintended consequences, including the greater professionalization of organized crime and gangs (which have learned greater discipline in the process).[22]

For a Left that grew up opposing the authoritarian security state, it has been a veritable challenge to articulate a policy of citizen security that both is a distinct alternative from the Right and promotes basic civil rights. The Left (especially those governments in federal states) has not articulated a unified response. Gutiérrez and Policzer (2008) reviewed the record of the Left with respect to crime issues and have argued that left governments have in fact had a disjointed approach to violence, depending on whether they are more liberal in orientation (in which case they are likely to articulate a Hobbesian response) or more populist (in which case they are likely to adopt a more tolerant/rights-and-rules-oriented/Lockean response). They argue: "In other words, the politics of violence fragments the Left in unique ways, which do not necessarily reflect these governments' policies in other areas" (3). A brief overview of the Left highlights this significant variation. Below, I group cases in terms of those that initially articulated a proactive nationally integrative approach and the majority, which initially adopted a more reactive approach, with no clear national policy in evidence.

The Left in Nicaragua and Chile represents one end of the spectrum, as those governments articulated early on an integral approach (further professionalizing a centralized police force while also advancing preventive social programs and community participation). They did so early in the process of democratization, early relative to their neighbors, and early relative to contemporary concerns about crime and violence. Notably, the Nicaraguan and Chilean police today confront relatively low homicide rates relative to the rest of the region.

The FSLN in Nicaragua oversaw dramatic reforms to citizen security as part of the Sandinista revolution, reforms that included an institutional overhaul of the police and military (which remain among the most professionalized, respected, and trusted in the Central American region). The FSLN not only adopted a rule-of-law approach but assumed that its police should work with community organizations at the local level. While the Sandinistas lost the 1990 elections, their foundational institutional reforms for the police endured, as did some local patterns of engagement. Thus the FSLN set the tone for patterns of citizen security with its socialist and participatory approach to the revolution. This legacy has apparently endured into the contemporary period, as police chiefs articulate their mission in terms of crime control, crime

prevention, and community access.[23] These preventive and rehabilitative measures contrast sharply with *mano* and *super mano dura* policies that emerged in El Salvador, Honduras, and Guatemala. Strikingly, violence levels have remained comparatively low in Nicaragua. Current president Ortega has not to date announced a new citizen security plan that distinguishes his government from his predecessors (who in turn did not really pursue a citizen security plan that distinguished them from the Sandinista period).

Chile's Concertación also entered the third wave with an apparent commitment to address citizen security. While it left the national police forces largely intact (with the Carabineros remaining under the control of the Ministry of Defense), it advanced a set of policies to address citizen security, including increasing police resources, promoting forms of community participation and community-police networking, and articulating both crime control and crime prevention strategies. Seemingly the Christian Democratic and Socialist wings of the Concertación have supported these policies (although they have faced opposition from the Right when they have proposed moving the Carabineros under the authority of the Ministry of Interior). President Lagos added a new dimension by introducing increased emphasis on justice system reforms, prison system reforms, more crime prevention programs, and more community participation (Dammert 2006, 66). While there have been many plans, the *plan cuadrante* highlights community policing and community integration, which was expanded under President Lagos (Frühling 2003, 36–38). The citizenry, however, has expressed rising concerns about violence, even though Chile's homicide level is much lower than that found in its neighbors. Criticized for not responding adequately, Dammert and Diaz (2006, 3) note that Bachelet campaigned with a more punitive set of security proposals, including stiffer sentencing, harsher prison conditions, and an increase in the size of the police force. As president, Bachelet announced a public security plan in September 2007 that focused on gun control, programs to deal with youth involved in violent crime, and other security measures. While the election of Sebastián Piñera ended the Concertación's lock on the presidency, there are no signs to date that he intends to change Chile's policy on citizen security.

In contrast to Nicaragua's and Chile's nationally coordinated, proactive, and early approach to citizen security, the majority of other Latin American Lefts represent the other end of the spectrum; they have largely played a reactive role while also delegating responsibility to subnational units to determine public security responses in cases where public security and police forces are decentralized. There are ongoing localized examples of community policing, women's police stations, preventive social policies targeting youth, and rehabilitation, but these do not seem to be the product of nationally coordinated left policies. At present, the literature talks about community policing as a creative community response (in coordination with local or state-level

governments) rather than the product of partisan politics (See Frühling and Tulchin 2003; Arias and Unger 2009). Given that (1) the elite can achieve greater security through private means and has done so and that (2) crime is seen as disproportionately hurting the poor (as targets and sites of violence), it is all the more striking that the Left largely sidestepped the issue of citizen security as a national responsibility and as a fundamental right or prerequisite of citizenship, especially in those countries experiencing high levels of violence.

Brazil falls squarely into this second camp. Brazil has until recently delegated authority to the states, which oversee public security. As Arias and Ungar (2009, 417) note, "most control over public security lies in the hands of twenty-seven state governments." And although there are some important Brazilian case studies of community policing, the Left has been slow to articulate a national position on citizen security that moves beyond rhetoric. Macaulay even goes so far as to argue that both Fernando Henrique Cardoso and Luiz Inácio Lula da Silva saw bold criminal justice policy as politically risky:

> Both Cardoso and Lula governments realized that the potential cost of failure in attempting an audacious reform would far outweigh the possible electoral rewards. The Cardoso government avoided the issue of criminal justice, whereas the first Lula administration forced out a very promising reform team in under two years when their activities threatened to draw public attention to the government's responsibility to deliver. Delegation is such a tempting strategy in a federal system that it was not until 2006 that criminal justice became a topic for debate between the presidential contenders, as Lula attacked Geraldo Alckmin over the PCC [São Paulo's major organized crime gang]. This contrasts with the hyperpoliticisation of crime control in gubernatorial contests in Brazil. (2007, 646).

Cardoso and Lula, however, have not entirely ignored citizen security. Cardoso announced in 2000 the first federal security plan since 1808—although it did not really get off the ground (Dellasoppa and Sant'Clair Branco 2006, 27). The Workers' Party announced a public security plan in 2002 that declared security to be a right for all citizens; the plan included a call to modernize security forces, provide ethical training, and promote social participation (37–39). And in August 2007, Lula's administration passed the National Public Security and Citizenship Programme (PRONASCI), which aims to create a more integrated security response focused on addressing the violence and promoting preventive measures. Yet these national plans coincide with ongoing delegation to subnational units that assume responsibility to define policy and implementation (at times using coercion). In some cases subnational units have deployed a militarized response with apparent government support. For example, twice in 2007 Lula authorized the use of the military to help Rio's governor crack

down on organized crime in Rio's favelas—and reporters speculated that Rio's governor requested this help so that he could purge state-level police of corrupt officers.[24] The public, however, has remained concerned about violent crime and a national response. Debate continues over the constitutionality of using the military for policing. In June 2008, Rio's federal justice ruled that the constitution does not permit the military to serve as a police force, thereby ordering the army out of the favela Morro de la Providencia; nonetheless, later that month the defense minister indicated that he wanted Congress to pass a legal statute "sanctioning the use of the armed forces for 'urban conflicts' such as drug trafficking in the favelas."[25] In turn, Rio governor Sergio Cabral (PMDB, formerly of PSDB) has advocated and promoted an increased military police presence (Police Pacification Units [UPPs]) in thirteen favelas, an idea apparently inspired by his 2007 visit to Colombia.[26] With the approaching 2014 World Cup and 2016 Olympics, the newly elected Workers' Party (PT) president Dilma Rousseff will face added pressure to address urban violence in Brazil, although it is still too early to say what direction that policy will take.

The Left in Venezuela, El Salvador, and Argentina has also been relatively late to articulate a national position on citizen security, despite very high violence levels in Venezuela and El Salvador. As in Brazil, the balance between a more punitive and coercive approach and a more socially engaged and preventive approach remains unclear at this stage. Venezuela's homicide rates, like those in Central America, have achieved alarming proportions. Homicides rose 11% from 2006 to 2007,[27] and Chávez was criticized for not drafting a national response. In February 2008, he announced the creation of a unified national police force that would be overseen by a national council on citizen security and regional security coordination; the measure unifies the country's 126 separate police forces.[28] In April 2008, he announced two additional decrees: the creation of a general command of the national reserve (over which there is considerable debate) and the creation of a new police law. "The new police law is the product of six years of debate. Chávez said the new 'humanist' police force, working closely with local community councils would replace the 'capitalist' police forces of the past which abused the poor in the barrios."[29]

El Salvadoran president Mauricio Funes (Farabundo Martí National Liberation Front [FMLN]) assumed office in 2009, after making citizen security a central part of his campaign. The Left had previously articulated a feeble position on citizen security, ceding the issue to the Right until recently. In office, Funes has created an emergency commission to address public security; has sought out broad consultation with social sectors (think tanks, parties, banks, elected officials, churches, NGOs, and social movements); and has announced a broad policy that strengthens civilian institutions (police and courts). The latter policy, however, has been complemented by a commitment to also repress and control crime, with the military slated to assist the police in

these efforts.[30] Because it is still early in Funes's term in office, it is impossible to evaluate implementation. Nonetheless, we can already see the tension between pursuing a social/civilian response and the calls for a militarized one. It is also worth noting that the Salvadoran police are commonly charged with corruption (despite post-civil-war police reforms that were initially embraced by the international community); even if Funes continues to advocate a more progressive and integral approach to citizen security, it is unclear whether the police can undertake such measures without serious reform to the institution itself.[31]

Argentina has relatively low violence rates compared to those of Brazil, Venezuela, and much of Central America. It is perhaps less surprising, then, that the Peronists have assumed a largely reactive role regarding citizen security, leaving the provinces in charge of security policy and occasionally calling for a national crackdown on crime. As examples of this last point, Carlos Menem and Eduardo Duhalde advocated zero tolerance policies that would have imposed stiffer penalties on suspected criminals, rather than advancing a more integral approach that would have (also) set out to address the causes of crime (Chevigny 2003, 85). With the election of Néstor Kirchner, there was a partial shift in tone; reactive and hardline measures were still on the agenda, although they were combined with some participatory elements. The Ley Antisecuestro (2003) gave prosecutors greater authority and established harsher penalties for anyone convicted of kidnapping. The Ley de Agravamiento de Penas (2003) increased penalties (jail terms) by one-third for crimes committed by security forces or for adults using minors to commit crimes. The government also created the National Directorate for Criminal Intelligence (created in 2001 and modified in 2003), which was intended to foster coordination among provincial police forces, create a federal emergency system, and coordinate the fight against terrorism and crime in the Common Market of the South (MERCOSUR) and Triple Frontier regions. Pending proposals include a national plan for the prevention of crime, which includes national, provincial, local, and community coordination; illumination of public spaces; community activities; and so forth. In 2009 Cristina Fernández de Kirchner's government announced the Programa Integral de Seguridad Ciudadana; as of April 2010, 40 municipalities in Buenos Aires province had signed on. Among its provisions, the program makes resources available for the hiring of additional police, installation of security cameras, satellite monitoring of patrol cars, and the acquisition of new patrol cars. *La Nación* and *El Clarín* have criticized insufficient disbursement of funds (apparently only one-third of the promised moneys have been allocated). Civil society organizations and political actors, moreover, issued a communiqué in 2010 heralding the Acuerdo para la Seguridad Democrática and criticizing the Argentine government for being long on repression. Not surprisingly, no Peronist politician has signed on.[32]

At this point we cannot comment on the implementation of these new programs in Latin America or their ultimate political goals. But a few characteristics stand out. First, today's left parties and presidents have largely been compelled in the past decade to articulate some kind of citizen security policy, no longer simply ceding the terrain to the Right. Second, their response has varied but has recently included a commitment to combine law-and-order police enforcement with some degree of community efforts to develop preventive programs. Third, police forces have remained part of the ongoing problem (relatively speaking in all cases but Chile and Nicaragua), leading to calls to root out corruption and to create integrated democratic, efficient, effective, and accountable police forces. Finally, the language of citizenship is increasingly being used both to defend and to define the programs. As I discuss in the conclusion, this has required the Left to refocus its energies on the state as an actor that provides security not only through the legitimate monopoly of the coercive apparatus, not only through professionalizing police forces, but also through social programs and community participation that seek to prevent the proliferation of violence at the community level. In this regard, the Left's approach to security might take us back to social programs that were once understood as material rights alone. In the current context, these social programs are also about ensuring citizen security so that citizens can practice the rights that they are promised on paper.

Conclusion

There is clearly no single Left in Latin America. This chapter has charted out, however, that there was in the past a core: a commitment to social rights and a vision that the state had a responsibility to promote and defend programs that would provide a more equitable basis for citizenship. That commitment took many forms (and was undermined by many contradictions), but in its most basic form it was informed by a material understanding of citizenship and a presumption that the state could and should play a leading role in the move to achieve a more just life ("social rights" for all its citizens). The contemporary Left has increasingly shied away from these kinds of claims (now seen as revolutionary or populist but no longer fiscally responsible). What most of the contemporary Left now shares is a commitment to political and civil rights (at the cornerstone of liberal democracy) and a commitment to work for solutions to help the poor. In this new context, the scope of social rights has been debated rather than presumed. Indeed, one cannot really say that the contemporary Left promotes social programs as citizenship rights; they are seen more as moral preferences. In this regard, material constraints have shaped the delivery of material goods.

Yet, the Left's constituency is not reducible to material concerns alone and state

provision thereof. I have highlighted an unlikely and unrelated pair, multiculturalism and violent crime. I juxtapose these two (at the risk of making them seem related, which they are not) to highlight how the Left has had to readjust to a changed context. The current landscape is not primarily defined by corporatist organizations, class-based associations, and the military; but rather it is increasingly defined by alternative modes of mobilization, including new types of civil society (cleaved not only by class but also by ethnic politics) and new types of uncivil society (cleaved by gangs, organized crime, and street violence). Whereas the former aims to expand democratic citizenship in a multicultural direction, the latter has machine-gunned the most fundamental contract between states and citizens: the promise that the state will provide physical security for a citizenry that in turn will recognize its authority.

The Left has been slow to respond to these societal challenges, perhaps because they were seen as anachronistic (ethnicity), retrograde (security), and ephemeral (at base understood as material concerns). But in the current political environment, the Left has largely had to play catch-up in response to important societal trends. To respond, the Left has had to reconsider the nonmaterial bases of citizenship: not just which rights citizenship entails, but also who is part of the citizenry and how the state can or should protect them.[33] These are questions about the social contract itself, and ironically they lead the Left back to the state (not just as the provider of material equality and driver of growth, but also as the institution that encompasses and protects a multicultural citizenry). To do so, the Left is now being forced to reassess the uses of the state, including the difficult questions of when and how coercion can(not) be used to provide security; when the state should (not) delegate authority to subnational units; and when and how social rights are necessary not only for material well-being but also for identity and security. This is a new frontier for the Left in the region.

NOTES

Many thanks to the editors and reviewers for their thoughtful comments on this chapter and to Vinay Jawahar for his excellent research assistance.

1. Elsewhere I have written about three dimensions of citizenship: membership (who is included), modes of interest intermediation (which societal units—individual or collective or both—are privileged by the state), and rights (the content of citizenship, as defined by T. H. Marshall). In this chapter, I focus primarily on the third citizenship component (rights).

2. Clearly the Left did not agree about whether the state could play that role in a capitalist system; the revolutionary Left argued that capitalism needed to be overthrown, and the social democratic Left argued that an activist and vigilant state could promote a mixed economy within a capitalist and democratic system.

3. I limit my comments here to the revolutionary, social democratic, and populist Lefts, although other less numerous left movements did exist.

4. Revolutionary movements did not all share the same critique of capitalism and democracy. Moreover, ideological positions shifted over time even within the same revolutionary movements. The Cuban and Nicaraguan revolutionary movements, for example, were both ideologically heterogeneous, with some form of ideological coherence emerging only after the overthrow of Fulgencio Batista and Anastasio Somoza Debayle, respectively.

5. One might arguably include Christian Democratic parties in this category. With the electoral Left they shared a commitment to some of the same civil, political, and social rights; however, in these years, Christian Democratic parties self-consciously did so by presenting themselves as an ethical alternative to the radical or Marxist Left.

6. For important discussions of populism, see Weyland 2001; Roberts 2006a, 2007b; and Levitsky and Roberts's introduction to this volume.

7. Cuba did not experience a democratic transition and therefore is not included in this section.

8. Nancy Bermeo (1992) has discussed this process as learning. More recently, Castañeda (2006) has also argued that older Lefts have moderated their discourse and come to value democracy as a more central value.

9. Also see Roberts 2006a, 2006b; 2007b; and Levitsky and Roberts's introduction.

10. At this time, it is impossible to explain with confidence whether Chávez's diminished concern for civil and political rights is a function of a disenchantment with the limited progress made during previous electoral regimes (historical analysis), of the widespread mandate he has been able to command (contemporary power), or of a commitment to ends over means (ideology).

11. In this section I focus on indigenous peoples, although the argument extends to Afro-Latins, given the limited attention historically paid by the Left to racial identities in general.

12. World Bank data indicates that poverty among indigenous people in the Americas is disproportionately higher than among the rest of the population. See De Ferranti, Perry, and Ferreira 2004. Given that indigenous identities have historically been understood as coterminous with poverty, social mobility was historically viewed as coterminous with assimilation into mestizo culture—a position that has been challenged in recent years by indigenous movements.

13. Indigenous people have demanded legal recognition after years of being viewed as anachronistic at best and invisible at worst. Constitutions now recognize the multiethnic and pluricultural makeup of Colombia (1991), Mexico (1992), Peru (1993), Bolivia (1994), Ecuador (1998), and Venezuela (1999), among others in the region (Van Cott 2005)

14. Indigenous movements have demanded recognition of multiple units of representation. While demanding respect for individual rights, indigenous movements have also demanded that the state recognize indigenous communities as a historically prior community and, accordingly, one with an autonomous sphere of political rights and jurisdiction. These demands range from the call for community or supracommunity autonomy to the call for designated representation in legislatures and ministries.

15. *Latin American Weekly Report,* Andean Group, June 2008; also see chapter 11.

16. *Latin American Weekly Report,* October 8, 2009.

17. The Left has also reflected on the primacy of a central state in response to the unfold-

ing of decentralization that has accompanied the third wave of democratization in many Latin American countries.

18. In this sense, I agree with Hale (2002) that multiculturalism can be functionally supportive of neoliberalism. I do not agree, however, with the implication that neoliberalism caused multicultural agendas in the region.

19. The data is difficult to gather and compare because definitions and measures of homicide vary across countries and even across national institutions within the same country. Even recognizing this problem, UNODC (2007, 53) notes that most data indicates that Guatemala and El Salvador are among the most violent places in the world (alongside Jamaica, Colombia, South Africa, and Swaziland); Costa Rica, Panama, and Nicaragua are considerably less violent; data on Honduras is incomplete, but existing evidence suggests that it is closer to Guatemala and El Salvador than to the other Central American cases.

20. Mexico's President Calderón announced an increasing role for the military in addressing crime shortly after he took office in December 2006 (*Latin American Weekly Report,* May 17, 2007; May 28, 2008). The Salvadoran and Honduran governments, moreover, cracked down on gangs, arresting leaders in many cities in each country (See *Latin American Weekly Report*'s *Caribbean and Central American Report,* January–February 2008).

21. See Holland 2007 for a discussion of *mano dura* policies in El Salvador.

22. A *Demoscopia* study concluded that *mano dura* policies have resulted in greater organization and ties among gangs and organized crime. Also see *Latin American Weekly Report,* February 2008.

23. Nicaraguan police chiefs, interviewed by the author, spring 2007; particularly Nicaraguan police chief Aminta Granera, interview by the author, March 14, 2007.

24. *Latin American Weekly Report,* April 19, 2007; July 5, 2007.

25. Ibid., June 19, 2008, 10.

26. See Louis Amis, "The Problem of Violence No Longer Seems Intractable." *Financial Times,* November 15, 2010, Special Report on Brazil, p. 5.

27. *Latin American Weekly Report,* February 28, 2008.

28. Ibid., June 5, 2008, 1.

29. Ibid., April 17, 2008, 9.

30. See ibid., February 11, 2010; and Ministerio de Relaciones Exteriores de El Salvador, "Presidente Funes finaliza consultas de la política nacional de justicia, seguridad pública y convivencia," published online February 19, 2010, *Seguridad Ciudadana en las Américas,* http://scela.wordpress.com/2010/02/19/el-salvador-presidente-funes-finaliza-consultas-de-la-politica-nacional-de-justicia-seguridad-publica-y-convivencia/.

31. Guatemala's president, Álvaro Colom, is arguably center-left, in the context of Guatemalan party politics. I include him here for reference. He has announced measures to address crime, but in marked contrast to the *mano dura* approach of his predecessors (and rival presidential candidate General Otto Pérez Molina), Colom announced that security would be one of his primary goals in his first 100 days in office. He vetoed a death-penalty bill (despite its overwhelming legislative support and majority public opinion support), and under his administration the much-awaited International Commission against Impunity in Guatemala (CICIG) started functioning (and was extended by two years in 2009 when it was due to expire). Moreover, he indicated that the military would get out of the business of providing citizen security and cede that task to the Guatemalan police, which has had a terrible track

record on all dimensions. See *Latin American Regional Reports: Caribbean and Central America Reports,* January–February 2008; and *Latin American Weekly Report,* March 27, 2008. And in 2009, Colom oversaw the signing of a national security justice agreement (*Latin American Weekly Report,* April 23, 2009). Thus far, however, Colom has arguably done little either to advance a left agenda or to promote a citizen security plan.

32. Information about Peronist policies can be found at www.casarosada.gov.ar (under "Obra de Gobierno" and "Planes y Programas") as well as from The Acuerdo, www.pagina12.com.ar/diario/elpais/1–137771–2009–12–29.html, p. 12. For discussion of the lack of funding for the proposed *programa integral de seguridad ciudadana,* see "Plan de Seguridad de Lenta Ejecución," *Clarín.com,* March 31, 2010, http://edant.clarin.com/diario/2010/03/31/opinion/0-02170757.htm. Also see Rodolfo Lara, "El Gobierno ahora libera fondos para su programa de seguridad," published in *Clarín.com* the same day, http://edant.clarin.com/diario/2010/03/31/policiales/g-02170804.htm.

33. An array of solutions is under debate, including preventive measures, institutional professionalization, law and order, and even coercion.

CHAPTER NINE

Venezuela

Hugo Chávez and the Populist Left

MARGARITA LÓPEZ MAYA

The rise of the Bolivarian forces to power under the leadership of Hugo Chávez in 1998 is one of the emblematic cases of the recent shift to the left in Latin America. From the outset, this movement evidenced its leftist vocation, although its military origins and the fact that Chávez and his military colleagues were responsible for an unsuccessful military coup in 1992, together with certain attitudes and practices during the course of the movement's years in power, have provoked uncertainty and polemics (which still continue) over how to characterize it in more precise political and ideological terms.

Because of the harsh polarized discourse that has accompanied the Bolivarian movement, the charismatic nature of Chávez's leadership, the heterogeneity of the military-civilian alliance supporting it, the quality and tendencies of the public policies adopted, and the clear desire to influence the political future of the region as well as worldwide processes, the movement has attracted particular interest within the context of the various left governments that have recently come to power in Latin America. It is also one of the cases where populism, in the terms defined in the introduction of this book, is most compelling. In this chapter I adopt a historical perspective to respond to the following questions: (1) Why did Bolivarianism come to power, and why does it remain after 11 years? (2) What are the basic features of its proposal for society? and (3) In what direction has Bolivarianism moved after the rejection of its proposal for constitutional reform in 2007?

The Origins of Bolivarianism

The Bolivarian movement was born in the military barracks during the 1970s, within a socioeconomic context characterized by the crisis of the Venezuelan import substitution industrialization (ISI) model (López Maya 2003). This model had proved to be highly successful in socially and economically modernizing Venezuela, a country

that throughout its independent life had been known as one of the poorest, most unstable, and most backward of the region. In addition, with support from the ISI model, Venezuela was able to consolidate a democratic regime after 1958 despite having had one of the longest traditions of *caudillo* and authoritarian rulers in Latin America. The country's liberal democracy and its relatively stable two-party system were characterized by a particularly strong distributive and statist discourse that had been widely socialized by Venezuelans and was an intrinsic part of their political culture. As a consequence, the crisis of ISI with its economic recession weakened the legitimacy of Venezuela's social and political order. The neoliberal free market reforms adopted by the political elites after 1989 to reduce the size of the state apparatus and its functions worsened this situation and provoked further disenchantment with the hegemonic actors, particularly the political parties. In the name of democracy, Venezuelans resisted this change in values in multiple ways. It was in this context where key conditions for a populist rupture were laid down.

Another crucial factor is that Venezuela is a petro-state—a state built upon a mono-export petroleum economy that determined its modern political form. The petro-state receives a substantial, though unstable, amount of oil rents in the international market by taxing exporting companies; thus national political actors can attain significant autonomy of action. This is in contrast to states that finance themselves through internal taxes and are therefore more sensitive to pressure from powerful domestic actors and civil society. Petro-states tend to act with few and weak institutional checks and balances, and as a result they are prone to administrative inefficiency and corruption. The Venezuelan petro-state provided the political actors who came to power in 1958 with a variety of state resources that made possible the construction of a democratic political regime based on elite conciliation within a non-zero-sum framework, which is to say, one without losers. But once the state saw these fiscal resources decline—as occurred during the 1980s and 1990s—political actors lost their distributive capacity, and their legitimacy decreased. Relevant milestones in the crisis of Venezuelan society were the increasing social unrest that developed after the "Black Friday" currency devaluation in 1983, mass urban riots known as the Caracazo in 1989, two attempted military coups in 1992, the destitution of President Carlos Andrés Pérez in 1993, the defeat of the two-party system in the 1993 presidential elections, and the emergence of new sociopolitical actors with alternative proposals, leaders, and strategies.

The military personnel who formed the original nucleus of the Bolivarian movement were, most of them, of humble origin, from families that had suffered from the poverty provoked by the crisis. Unlike the rest of the popular sectors, these soldiers preserved access to quality higher education through their military training, at a time when the public education system was ostensibly deteriorating. Given the nature of

their professional activity, these soldiers were well acquainted with the decadent elites, and the contrast between the sumptuous expenditures of the elites and the misery of the social groups closest to the military tended to make them sensitive to the problems of inequality and the abuses of power (Harnecker 2003). However, as a result of their professional formation, the Venezuelan military are nationalists, educated to revere Simon Bolívar and consider themselves heirs to the Liberator's army. Furthermore, in Venezuela, military governments were the rule until the 1950s, and during the period of guerilla insurgency in the 1960s, sectors of the Left penetrated the armed forces, establishing long-lasting roots (López Maya 2003). For these reasons, within the barracks, groups dedicated to political discussion and criticism were formed early on, as were certain conspiratorial groups aiming to overthrow the political system (Marcano and Barrera Tyszka 2004, 78–80). The group to which Chávez belonged took the initiative, in 1983, to form a clandestine organization called the Revolutionary Bolivarian Movement 200 (MBR 200), dedicated to the recovery of patriotic values, to dignifying the military career, and to fighting against corruption (Zago 1992).

In addition to being nationalists and Bolivarians, many in the armed forces also shared "national-developmentalist" ideas, such as those that had inspired the Marcos Pérez Jiménez military dictatorship (1952–58) with its project for a "New National Ideal" (Sucre Heredia 2007, 90). The idea was to build a powerful country on the basis of an arms industry and a capital goods industry, developing the armed forces as a center of national power and transforming Venezuela into a regional power. The fiscal revenues from oil exports would serve as the fuel to nurture this project. Evidence for these ideas includes the fact that once the Bolivarian movement gained power, it unified the military into a single "Armed Force" (as under Pérez Jiménez) and attributed to it an active role in national development in the 1999 constitution (art. 328). These ideas are also seen in Venezuela's regional power aspirations and in various laws and norms that were subsequently introduced to regulate military life and withdraw this institution from civilian control (Sucre Heredia 2007, 91).[1]

The MBR 200's contacts with civilians were initially scarce, but as time passed they increased and significantly influenced the leftist political and ideological conceptions of the movement and, above all, of Chávez. The first contacts were with militants of those left-wing parties defeated in the armed struggle of the 1960s, especially the Party of the Venezuelan Revolution (PVR), a splinter of the Venezuelan Communist Party (PCV) led by Douglas Bravo, the best known of the guerrilla leaders. Alí Rodríguez Araque, the minister of energy and mines and president of the state oil company, Petróleos de Venezuela (PDVSA), in Chávez's first government and the minister of finance in his second administration, also belonged to the PVR. Other contacts were with the Causa R party, the Socialist League, and Red Flag (Bandera Roja) (Medina 1999; Garrido 2000), small organizations of the radical Left that were

a product of its fragmentation after the failure of the armed struggle. Some of these groups still argued in favor of the need for violence in order to gain power and promote the revolution.

However, the defeat of the Left also gave rise to groups that rejected the violent road and recognized procedural democracy as necessary for achieving socialist changes. Such groups included the Movement toward Socialism (MAS) and La Causa R (LCR), the two most important splinters from the PCV that from the late 1960s participated in institutional politics. These two parties, which won a local and regional presence in the 1980s and 1990s, contributed to the Bolivarian movement ideas and proposals for decentralization and participatory democracy in the management of public affairs (López Maya 2005).

The MBR 200 came out of hiding on February 4, 1992, when it launched a coup d'état against President Carlos Andrés Pérez. The conspiracy fell apart after a few hours, when those participating failed to take the president prisoner either in his home or in the presidential palace. The leader of the military coup, the lieutenant colonel Hugo Chávez Frías, became famous that day for his brief appearance on television when, after being taken prisoner, he called on his fellow conspirators who were still fighting to follow his example and surrender in order to avoid a bloodbath. His image—that of a young man uncontaminated by politics and willing to accept responsibility for his actions—moved Venezuelans who were disgusted by irresponsible, insensitive, and corrupt politicians. Chávez and his military comrades were imprisoned, but they were released in March 1994 after receiving a pardon from President Rafael Caldera. After retiring from the military—the condition demanded by Caldera in exchange for this pardon—they entered into political life as civilians. During the years they spent in prison and later through street activism, the Bolivarian movement, with Chávez at the lead, started to spread throughout the country. In 1997 the Bolivarians founded the Fifth Republic Movement (MVR) as a parallel electoral structure to the MBR 200; they used this vehicle to run in and ultimately win the December 1998 presidential elections (López Maya 2003, 80–83).

Besides these leftist cadres, prominent intellectuals and activists with a left-wing political history were also contacted or drew close to the Bolivarian military movement after the failed coup of 1992. While the Bolivarian movement also incorporated groups and civilian personalities that were not from the Left, those persons and groups eventually either drifted away or were expelled.[2] In any event, it is the heterogeneity of this military-civil alliance that explains some of the principal ideological and programmatic tendencies of the Bolivarian movement.

Bolivarianism's First Period in Power, 1998–2006: Alliances, the Political Project, and Its Changes

In the 1998 electoral campaign, the MVR was primarily an electoral structure that allowed the MBR 200 party to establish alliances with groups of different ideological inspiration that nevertheless supported Chávez's candidacy.[3] However, the successive electoral triumphs of the MVR between 1998 and 2000 led to the replacement of the MBR 200 by the MVR as the movement's party. Unlike the MBR 200, the MVR was a vertical, centralized electoral structure serving the Chávez candidacy, without internal debate or any pretensions of providing an ideological formation for its members. Its ideological heterogeneity was more marked than that of the MBR 200, and thus it facilitated an organizational style in which the personal nature of authority became decisive. Despite the efforts of Chávez and other leaders in the following years to modify the electoral and personalist logic of the MVR and create conditions for the development of a mass party with a collective leadership, this was never achieved. The concentration of power in the hands of Chávez produced a marked asymmetry between him and other leaders, a state of affairs reinforced by the very heterogeneity of the movement. Because the movement found in Chávez the only figure capable of channeling or suppressing internal differences, he became indispensable and his capacity to determine the ideological direction that inspired government policy was notably strengthened.

The political confrontations with the opposition between 2001 and 2002 also reinforced these "Caesarist" tendencies (Biardeau 2007). The parties in the pro-Chávez Patriotic Alliance proved remarkably incapable of defending the president and his government, with the result that a successful strategy was adopted that linked the president directly to popular sectors mobilized both from above and below, in alliance with the armed forces and without the coordination of the MVR or any of the other organizations in the alliance. This further favored the personalist authority of Chávez over institutionalized party mediations. The tensions between these heterogeneous groups provoked splits in the allied parties, however. In 2001 the MAS split; one faction left the government, while the other, which later assumed the name Poder Democrático y Social (PODEMOS), continued to support the government until it too went into opposition in 2007. The Fatherland for Everyone (PPT), founded in 1997 by a division of LCR, also broke with Chávez in 2000; then it returned in 2001 and established the basis for a stable alliance (López Maya 2005). In 2007, during the second Chávez government, the PPT was seriously weakened when several of its leaders resigned in order to join ranks with the new United Socialist Party of Venezuela (PSUV), in response to Chávez's insistence that the parties of his alliance should fuse themselves into a single party. The majority of the other parties in the alliance, with

the notable exception of the PCV—almost all of little electoral weight and many of them created in order to support the president during the conflictive period between 2001 and 2004—hurriedly dissolved their organizations so that their militants could join the PSUV.

The military members of the MBR 200, either retired officers or those expelled from the armed forces after the failed 1992 coups, were incorporated into the MVR. The attempted coups in 2002 and, above all, the oil stoppage of December 2002 increased the importance of the military, both active and retired, for the survival of the Bolivarian movement and the government. One of the consequences is that there has been increased military protagonism and a growing influence of military lodges in the public administration. Military personnel occupy posts at every level, from the national level to state enterprises, governorships, and mayoralties. In the 2004 regional elections, 8 of the 24 successful gubernatorial candidates came from the military, while in Chávez's cabinets there have been numerous military figures, generally from the same or nearly the same class cohort as the president himself. At intermediate levels, the military presence is accentuated: it has been estimated that by 2007 members of the military effectively controlled about 18 ministries.[4] During the first Chávez government, there were military figures who left the government, and some later returned.[5] During the 2002 coup against Chávez, military officers with important positions in the government played a prominent role in his return.

The Bolivarian movement has also drawn on popular organizations, some of which are autonomous and existed even before the rise of Chávez, but the majority of them were organized as a result of some presidential initiative. Among the latter, the most important from a political point of view have been the Bolivarian Circles, the Units for the Electoral Battle (UBE), and the Battalions of the PSUV. The most notable independent groups are the indigenous movement and the movement of African descendants, both very much strengthened as a result of the recognition accorded their rights by the government. Among popular organizations, we can find both long-established autonomous groups like the Tupamaros and Alexis Vive in the western part of Caracas and organizations created by the government, with different degrees of autonomy, such as the rural and urban land committees and the communal councils. Organizations of informal workers and women also exist, as well as spontaneous groups that are formed to confront particular problems (Hansen and Hawkins 2004; López Maya 2005; García Guadilla 2006; Nava 2007).

Conditions for a Populist Rupture

Bolivarianism, led by Chávez and organized in the Patriotic Pole, achieved power in the 1998 presidential elections in the midst of an acute social crisis. A stagnant and

disoriented economy, with a social fabric worn thin as the result of poverty, a growing informal sector, rising unemployment rates, insecurity, and corruption all contributed to undermining the bases of the democracy built up by the political parties, institutions, and politically powerful groups since 1958. After the Caracazo in 1989, with the brutal repression of the masses by a "democratic" state backed by parties, businessmen, and organizations of civil society, the population reaffirmed its rejection of the hegemonic actors. As a result, the collapse of the two dominant parties, Democratic Action (AD) and Comité de Organización Política Electoral Independiente (COPEI), in the 1990s opened a wide spectrum of opportunities for emerging actors and alternative sociopolitical proposals.

The first to benefit from this institutional collapse was the Caldera government and his movement called National Convergence, which won the 1993 elections on the basis of an antineoliberal and antiparty discourse. However, this government did not respond to popular expectations. Caldera, faced at the outset of his administration with a financial crisis of enormous proportions, opted during his first year to accept the support of AD and, in 1996, applied a second structural adjustment package inspired by neoliberal recipes. Furthermore, Caldera continued and even accentuated the neoliberal oil policy known as the Oil Opening, further undermining the capacity of the state to effectively manage the industry and drastically reducing the income received as taxes on oil production (Mommer 2003). In 1998 the abrupt fall in oil prices in the international market provoked an economic and fiscal disaster in Venezuela, whose policy of Oil Opening had contributed to the inability of OPEC (the Organization of Petroleum Exporting Countries) to control the production levels of its members. Oil prices hit a historical low, provoking an acute sense of frustration among Venezuelans and reinforcing their repudiation of traditional elites, the parties, and moderate proposals. This opened up the possibility of a populist rupture in the December presidential elections. Chávez adopted a radical and polarizing antineoliberal discourse that offered to "fry the heads" of the corrupt traditional elites and get Venezuela out of the crisis situation through deep social and political change. He was backed by a broad-based electoral coalition embracing movements and groups of very different persuasions, but all were identified as being opposed to the traditional two-party system. Chávez's Patriotic Pole won with 56.2% of the votes. From then on the relatively ill-defined promises of a new democratic model and a solution to the crisis, which spurned neoliberal recipes, began to be translated into measures to overcome the crisis.

The Bolivarian Project from 1999 to 2002

Bolivarians had come to power without a prolonged period of political preparation, and as a result, their project was relatively ill-defined. Furthermore, there was little clarity or consensus over how to implement it. Even so, the movement was vigorous, open, and dynamic, taking up and expressing demands that had been subjects of debate in Venezuelan society since the 1980s. The Constitution of the Bolivarian Republic of Venezuela (CRBV), sanctioned in December 1999 by popular referendum, incorporated a series of changes that had been formulated and debated in previous years in institutional ambits such as the Presidential Commission for the Reform of the State (COPRE) and the Congressional Constitutional Reform Commission of 1989–92, within organizations of civil society, and in street demonstrations (López Maya and Lander 2001). Some of the proposals for participatory democracy had been introduced and applied by left-wing regional and local governments in the 1990s (see chapter 7 and, among others, Gómez Calcaño and López Maya 1990; López Maya, Smilde, and Stephany 2002).

Indeed, the deepening of democracy to make it "participative and protagonistic" was of central importance, and it counted on a broad consensus. The CRBV maintained the separation of powers and the liberal instruments of political representation but combined them with new instruments for direct and semidirect citizen participation, both for decision making and for consulting and managing public policies. The constitutional text incorporated four types of popular referenda and provided for legislative initiatives, assemblies, and other participatory measures. Political parties were not named as such but were referred to as "organizations with political objectives," a reflection of the widespread repudiation of parties among the new actors. With a view toward weakening parties and preventing the corruption of the past, public financing of parties was prohibited (art. 67).

In social terms, the CRBV extended human rights, incorporating the right of the indigenous peoples to self-determination and respect for their cultures (chap. 8); environmental rights (chap. 9); the recognition of domestic work as an economic activity that created added value; and the right of housewives to social security (art. 88). Military personnel acquired the right to vote but not the right to stand for elected office, assume a political militancy, or engage in political proselytizing (art. 330). As a reflection of the weakness of the civil component in the new hegemony, parliament was deprived of its control of military promotions, which became the exclusive responsibility of military institutions and the president (art. 331).

In institutional terms, the CRBV reaffirmed the centrality of the state, the validity of the universal principle of social rights, and the inescapable duty of the state to create the conditions that guarantee these rights. State ownership of oil resources

was reaffirmed (art. 303), thus blocking the tendencies toward privatization that had accompanied the Oil Opening. In economic terms, private property was respected, while new previsions were introduced in order to enable the state to promote a social economy and, at the same time, recognize forms of collective property. In international affairs, orienting principles were registered that included the democratization of the world order, Latin American integration, and "solidarity between peoples in the struggle for their emancipation and for the well-being of humanity" (arts. 152 and 153).

The Bolivarian proposal was elaborated in a Latin American context where there was a clear predominance of neoliberal ideas in favor of a reduction of the role of the state in the economy and the privatization of public services. It thus appeared quite radical. However, the CRBV responded to a statist project that in certain ways updated the heterodox economic model that had oriented the Venezuelan economy since the 1940s and was institutionalized in the 1961 constitution. It has been the tendency of Venezuela's petro-state to develop strong regulatory capacities over economic activities in the country. The 1999 constitution reaffirmed this tendency without making major changes to property ownership. In this regard the CRBV was more compatible with Venezuelan's political culture than the neoliberal ideas embraced by political elites in the 1990s. The CRBV was also, like the 1961 constitution, socially committed to the redistribution of wealth and to national independence in international affairs, and it represented a halfway house between moderation and radicalism in relation to its democratic institutions. The new constitution and the General Orientations for the Nation's Social and Economic Development, sanctioned in 2001, jointly outlined the general perspective of the government's public policies. Both contained an underlying concept of substantive democracy, characterized by the president (influenced by the British government headed by Tony Blair) as a "third way" that was neither capitalist nor socialist.

In concrete terms, the government's performance up to 2001 produced modest results. There were important political achievements, including the modification of the constitutional framework and the elaboration of laws that institutionalized the principle of participation and contributed to the political change that popular majorities demanded. Furthermore, these achievements contributed to a sustained growth in electoral support for the Bolivarians, who increased their control of governorships from eight in 1998 to 16 in 2000 (López Maya 2005). These political changes occurred, however, within a climate of intense social polarization and political conflict. This was a result, in part, of the resistance of economic, political, media, religious, and trade union interests that were reluctant to cede positions. But it was also a product of the permanent confrontations stimulated by the president with interest groups, intellectuals, and others who had had scarce influence in the past, and even with persons

and parties who had formed part of the original governing coalition. These tensions created the conditions for the violent episodes characterizing the period between late 2001 and 2003, when the opposition adopted an insurrectional strategy in order to force the ouster or resignation of Chávez.

The economic and social performance of the government was marginally positive, although there was an important turnabout in oil policy that contributed to an increase in fiscal income within the context of an incipient recovery of prices in the world market (Lander 2003). In 2000 and 2001, a moderate 3% economic growth was registered (Baptista 2007). However, this growth was not sufficient to reduce the high rates of unemployment, nor to affect significantly the indexes of poverty and indigence (see PROVEA 1999–2002). There was an increase in the number of cooperatives as part of the attempt to develop a "social economy." Nevertheless, in late 2001 these incipient tendencies were interrupted by the accentuated political conflict, which provoked capital flight and difficulties in maintaining the exchange rate. As the exchange rate weakened, the entire productive process was affected. In the second half of 2001, various surveys registered an important decline in popular support for the president (*El Universal,* Jan. 19, 2002). While it is true that the survey firms were also trapped in the prevailing political polarization, this bitter polarization had stimulated fears and provoked a repudiation that weakened the government, a fact that was effectively reflected in the surveys.[6]

The Project from 2002 to 2006

The events of 2002, when the political strife between the government and the opposition reached a climax, were to have important consequences for the Bolivarian project. The uninterrupted sequence of confrontations was initiated with a civic strike in December 2001. A first climax occurred during the coup of April 2002, and the clash culminated with the general strike and the paralysis of PDVSA in December. These confrontations had a catastrophic impact on the economy and politics, modifying the initial conception that the Bolivarians had of the society and the state they were committed to building.

For the economy, 2002 and 2003 were years of profound recession. According to the Central Bank, in 2002 the variation in the GDP compared with the previous year registered –8.9%, and in 2003 it was –7.8%. For the oil industry, the variation registered was –14.8% for 2002 and –1.9% for 2003. In 2003 the unemployment rate reached 18.9%, and by 2004 it had decreased only to 15.1%.[7] As a result of the insurrectional work stoppage led by executives of the oil industry who were unwilling to accept a change in the Oil Opening policy, the government dismissed 18,000 employees, 60% of them high- or medium-level executives, willingly accepting the loss of

a human capital that would prove difficult to replace. Another result of the strike was that the government, its confidence in the national business sector lower than ever, began increasingly to intervene in production activities. In January 2005, in his intervention in the Fifth World Forum of Porto Alegre, the president referred to his abandonment of the "third way" and the need to adopt the horizon of a "twenty-first century socialism" (Wilpert 2006).

However, what the government was seeking in 2003, more than a new overall and radical economic vision or strategy, was rapid, concrete mechanisms to enable it to reactivate the productive apparatus and confront the profound social impact of the political confrontation. It was within this context that the idea of the Endogenous Development Nuclei (NUDEs) appeared.

The idea of an endogenous development model came from the economist Osvaldo Sunkel, who had been arguing in favor of his proposal in the Economic Commission for Latin America and the Caribbean (ECLAC) since at least 1991 (although he called it "development from within"). But Sunkel made this proposal as a means of overcoming the challenge for the Latin American economies of confronting the exhaustion of the ISI model—in particular, by generating a local capacity for technological progress, thus stimulating a growth dynamic based on increasing productivity.[8] By way of contrast, the NUDEs were conceived of as production units designed to offer solutions consonant with the principles of participatory democracy for pressing social problems, for example, providing professional training so that people could take advantage of employment opportunities in industry and agriculture. For this reason, the idea of endogenous development appeared to be an artificially incorporated concept that was symbolically effective but used in operative terms to refer to attempts to reduce the serious deficit of employment opportunities and income for the popular classes. The NUDEs, community agricultural support programs known as *fundos zamoranos* (established previously), and the microenterprise and employment program known as the Vuelven Caras mission (later called the Ché Guevara mission) are all part of the attempt of the Bolivarians to strengthen the social economy and stimulate participation. The economic appropriateness or viability of these experiments plays a secondary role.

It was also in 2003 when diverse participatory innovations such as Technical Water Boards and Urban and Rural Land Committees received more government support and when the "missions" began to function. These missions were initially conceived of as emergency operations that sought to respond to the grave impact of the oil strike on the living conditions of broad sectors of the poor.[9] The missions, in contrast to participatory innovations from the outset, were also developed with an eye toward their impact on the electorate, first during the 2004 recall referendum and later for other electoral processes like the reelection of the president in 2006. The missions

were based on administrative structures parallel to those traditionally responsible within the public administration, and they reflected a deep-seated lack of confidence in the latter. An important aspect of these initiatives was the insistence on the participation of the communities themselves in the organization and management of the services offered, thus opening up access to social rights that in the past had been inaccessible. In many of the missions there is an important participation of the armed forces, considered one of the few state institutions that functions effectively and is politically loyal, thus responding to the conception of a civil-military alliance.

The first missions counted on advisers provided by the Cuban government, which, from 2002 on, became a key ally of the Bolivarian government. The earliest were the first and second Robinson Missions, designed to eradicate illiteracy and allow the adult population to complete the basic educational cycle, and the Barrio Adentro mission, aimed at guaranteeing the right to health care for the poor by offering services of preventive medicine (largely staffed by Cuban doctors) in the heart of the low-income districts. The Mercal mission distributed and sold food in barrios at subsidized and therefore more affordable prices; it ultimately produced a state distribution system serving at least 40% of the national population. To the extent that fiscal income rose as a result of the boom of oil prices, together with the nationalist reform the government had introduced in the oil industry, these missions were able to broaden their scope. By 2006 there were some 20 missions, all financed by the extraordinary income of the oil rent.

At the same time, the government centralized the management of resources and made public scrutiny increasingly difficult. From 2003 on, it created special funds administered directly by the president. For this reason, information about the overall amounts spent is imprecise and, because of the number of institutions involved, very difficult to obtain. The declarations of the finance minister in 2006 indicated that the contribution of PDVSA was about $4.5 billion, or 3% of the GDP and 10% of the regular budget. For previous years, various sources have estimated its contribution as between 3% and 5% of GDP (Aponte 2006).

Bolivarian international policy became more aggressive in relation to its objective of promoting a multipolar international system. Links with Cuba grew more extensive, going beyond cooperation on the energy question to embrace cooperation agreements in a variety of areas such as health, sports, and security. By 2005, with the advantage of increasing resources from inflated oil prices, Venezuela sought a more visible international profile by way of verbal confrontations with the United States and initiatives favoring cooperation between Latin American countries. Chávez accentuated his anti-imperialist discourse—which up to that moment had been surprisingly low-key—by denouncing the participation of the United States in the 2002 coup and dedicating a great deal of time to personal contacts abroad, which led to the

establishment of commercial and political links with Russia, Iran, China, and Belarus. Previous ideas were reinforced, such as the Bolivarian Alternative for the Americas (ALBA), an initiative for economic integration launched as an alternative to the free trade association proposed by the United States. The Petrocaribe initiative with the Caribbean and Central American countries was expanded, Petrosur was organized for the countries in South America, and Telesur was founded to provide a counterweight to the "imperialist" information provided by the regular television channels. After prolonged conflicts within the Andean Community, Venezuela withdrew and increased its efforts to join the Common Market of the South (MERCOSUR). The government used oil as a strategic weapon to increase its international profile and contribute to Latin American integration.

Chávez's Second Administration: The Radicalization of the Revolution

In December 2006, Chávez was elected once again for a second six-year period. This time he was supported by more than 7 million Venezuelans, winning 63% of the valid votes. It was an unprecedented victory. Since 1998, the Bolivarian movement had participated in 11 electoral contests, yet it continued to increase its electoral base. The movement had clearly consolidated itself as the country's most important political force, with a project that apparently counted on an increasingly broad-based consensus.

The electoral victory in 2006 was made possible above all by the combination of vigorous and sustained economic growth since 2004 and increasing expenditures on original and participatory social programs. Thanks to the buoyancy of oil prices in the international market and the domestic oil reform that took effect once the government had finally established control over PDVSA, the state received abundant fiscal resources from the oil rent. After almost two decades of economic stagnation, indexes of poverty and extreme poverty began to fall, together with the unemployment rate.

Table 9.1.
Socioeconomic indicators in Venezuela, 2003–2006

Year	Unemployment rate (%)	Households below the the poverty level (%)	Households in extreme poverty (%)	Human development index
2003	18.00	55.1	25.0	0.775
2004	15.25	47.0	18.5	0.778
2005	15.00	37.9	15.3	0.772
2006	10.50	32.0	9.7	0.784

Sources: Banco Central de Venezuela, www.bcv.org.ve; Instituto Nacional de Estadística, www.ine.gob.ve/; for HDI, http://venciclopedia.com/index.

See table 9.1 for the official statistics, indicating why Chávez and his movement were able to win the support of the majority.

These advances were based almost exclusively on the oil rent. According to the Central Bank, in 2006 oil accounted for 89% of exports. In 2006 the state received 68% of the income accruing to PDVSA, leaving only 32% in the company's hands. The oil sector represented 14% of GDP (PDVSA, *Últimas Noticias,* Jan. 21, 2007). On the basis of these advances, Chávez sought to radicalize the Bolivarian revolution.

Toward 21st-Century Socialism

The promise of a 21st-century socialism, one of the key elements in the president's electoral campaign in 2006, introduced a vague concept that conjured up values such as solidarity, fraternity, justice, liberty, and equality. Chávez argued that its precise content could not be determined because "the transformation of the mode of production towards a new socialism is something that must be constructed on a daily basis" (Wilpert 2006). In this sense, it appears to respond to what Laclau has called an "empty signifier," typical of a populist discourse. It was an "empty" concept capable of unifying and mobilizing, precisely because everyone could understand it in terms of his or her own particular unsatisfied demands or aspirations.[10]

But once the election had been won, the president began to identify more concrete aspects of his socialist proposal. In three key speeches in the weeks following his triumph, Chávez indicated ideas, strategies, and instruments for the anticipated revolutionary transformation of society (Chávez 2006, 2007). In these texts we can see a stronger state-centered orientation in economic policy, along with a clear tendency to undermine the liberal institutions established in the CRBV. At the same time, restrictions were placed on participation, basically limiting it to the popular management of public policies at the micro level. Communal councils, which are dependent on and articulated by the central government, became the privileged instruments for this participation. Meanwhile, the diversity of participatory innovations begun in the first years in office progressively weakened (see chapter 7). To a certain extent, this amounted to the institutionalization of tendencies that had been strengthened after the 2002 coup, taking advantage of the bonanza in oil prices.

In order to accelerate these changes, the president announced his five "constituent motors." The first would be an Enabling Law, which, according to the 1999 constitution, permits the National Assembly to delegate to the executive branch of the government the capacity to elaborate laws for a delimited period of time (art. 203). Chávez considered this to be the "mother law of all laws." The second motor consisted of an "integral and profound" reform of the CRBV, enabling the president to modify articles that might be political or economic obstacles to the socialist transition.

Chávez believed these two motors should be activated together, and he designated the president of the National Assembly, Cilia Flores, to preside over and coordinate the Presidential Commission for Constitutional Reform (CPRC). The third motor was called the "Moral and Enlightenment Campaign," and its purpose was to demolish the "old values of individualism, capitalism, and egotism." The fourth was a "new geometry of power," based on a proposed new way of distributing political, economic, social, and military power within the national territory so as to create cities and federal territories more appropriate for socialist aspirations. Finally, Chávez proposed as the fifth and most important of the motors the "revolutionary explosion of communal power." This entailed the creation, within the state, of forms of popular power that would change the nature of the state and contribute to its socialist character. Chávez argued that the communal councils (CCs)—a participatory innovation he had suggested in 2005, which had been growing in numbers after the approval of a law in April 2006—should not be subject to restrictions, because they were the instruments of a constituent popular power. The president underlined the need to "accelerate time and transcend space on the path to a new era which begins today."[11]

A few days later, the executive introduced its project of an Enabling Law to the National Assembly, asking for authority to legislate in 10 spheres of the public administration for a period of a year and a half. Two weeks later, the request was unanimously approved, and the Assembly incorporated an additional sphere of action, that of hydrocarbons. The president also appointed the members of the CPRC and of the Presidential Commission for Communal Power (CPPC), the latter presided over by the newly appointed vice president, Jorge Rodríguez (*El Nacional,* Jan. 19–20, 2007).

In these same speeches, Chávez announced the renationalization of strategic firms such as the telephone company and other nationalizations such as that of Electricity of Caracas. These nationalizations were implemented shortly afterward, as they did not require a constitutional reform. The 1999 constitution is generous in its definition of the prerogatives of the government for limiting the rights of private property for reasons of social interest. Therefore, the initial declarations and initiatives of the president were directed at the reform of the political institutions with which he had been forced to operate.

The request for an Enabling Law, and the National Assembly's rapid approval of it, provoked polemical reactions. Some considered it unconstitutional, arguing that the generic nature of the 11 spheres in which it was to be applied, together with the prolonged period for which it was to be effective, violated the very basis of the legislative function.[12] Beyond this legal question, however, the rapid concession of legislative powers to the executive by the Assembly undoubtedly reinforced the tendency for parliament to be subordinated to the executive branch, or rather to the

president himself. Likewise, it clearly showed the extent to which the president had abandoned the deliberative dimension of a participatory democracy. The president argued that the urgency of the changes did not permit the loss of time involved in legislative debates.

The same tendency to subordinate public powers to the national executive, undermining those institutions identified with liberal democracy, was evidenced in the appointments to the CPRC. The CPRC incorporated the magistrate and later the president of the Supreme Justice Tribunal as its executive secretary, along with the president of the National Assembly as its president and the public prosecutor and the people's attorney as members. Other government functionaries and deputies were also added to the commission. The decree that established this commission specified explicitly that its members should maintain the confidential nature of their deliberations and refrain from any disclosure of them without the express permission of the president. Once again, the initiative contradicted the principles of a participatory democracy.

The Defeated Constitutional Reform

The Project for a Constitutional Reform, presented by Chávez in August 2007, was made up of 33 articles, which the National Assembly increased to 69 during its brief two-month discussion of the project. Among the most relevant of the changes proposed was the possibility of reelecting the president without restrictions and an increase in the presidential term from six to seven years (art. 230). The proposed reforms would also grant the president the prerogative to create special regions for strategic purposes and to appoint special authorities, in order to guarantee sovereignty and territorial defense in circumstances of emergency or disaster (art. 11). The project proposed to increase the percentage of signatures necessary to activate the various mechanisms of popular participation (arts. 72, 74, and 348), making them practically unviable. It also proposed to create "popular power" as a new form of public power, rooted in the "communities" (the special nucleus of the socialist state) (art. 16). This new power would "not emanate from the suffrage or from any election, but rather from the condition of the human groups organized as the basis of the population" (art. 136). Other proposals would have made it the prerogative of the president to appoint as many vice presidents as he considered necessary (art. 125), would have substituted a National Council of Government for the Federal Council of Government, and would have eliminated the autonomy of the Central Bank (art. 318). In what seemed to be an endeavor to undermine property rights, the reform proposal designated, without much conceptual clarity, five different types of property: direct and indirect social property, public property, mixed property, private property, and collective property.

It also introduced a modification that referred to the state's "recognition" of property rights instead of the former "guaranteeing" of these rights (art. 115). In the military sphere, several reforms were proposed: incorporating a National Bolivarian Militia as a new component of the armed forces; changing the armed forces' designation from the "National Armed Force" to the "Bolivarian Armed Force"; and attributing to the military functions related to internal security (art. 329).[13]

This proposal expressed the political determination of Chávez to radicalize the Bolivarian project, both in economic matters and in some aspects of its political dimensions. The Assembly opened hearings and applied a so-called *street parliamentarism*—promoting discussions in parks and other public spaces—in order to receive commentaries. On November 2 it sanctioned the new 69-article version of the proposal, while the National Electoral Council (CNE) convoked a popular referendum to approve the reforms on December 2. The celerity with which the reform was being pushed through provoked confrontations, not only with the opposition but also with political allies like PODEMOS and certain military circles, social organizations, personalities, experts, and intellectuals close to the Bolivarians, all of whom expressed doubts and criticisms (Maza Zavala, *El Nacional,* Dec. 19, 2007; Lander 2006, 2007; Javier Biardeau, *El Nacional,* Sept. 10, 2009). In November General Raúl Baduel criticized the reform, suggesting that its approval would amount to a "coup" against the constitution and calling for its rejection by the voters.

On December 2, 2007, the proposal was rejected in a national referendum. According to the second bulletin issued by the CNE, which was based on the results of 94% of the voting booths, votes for the "No" option totaled 4,521,494 (50.65%), while votes for "Yes" totaled 4,404,626 (49.34%). The difference was a mere 1.31% of the overall vote, and the abstention rate was about 44% (CNE 2007). The vote favoring the Bolivarians suffered a reduction of 14 percentage points (from 63% to 49%) and almost 3 million voters, compared to the vote registered in the presidential elections of 2006. But the opposition vote increased by a mere 211,000. Rather than a triumph of the opposition forces, this outcome must be seen more as a defeat for which the Bolivarians themselves were responsible, since an important proportion of them stayed home instead of voting.

The strategy of advancing rapidly toward a socialist model—based on a recentralization of the state, a concentration of attributions and power in the hands of the president, a conception of the official party and of popular organizations as part of the state structure, the undermining of the principles of alternation and political pluralism, and the creation of a popular militia, together with other elements such as the confusing property classification—was not accepted by an important proportion of the grassroots Bolivarians. The socialist model implied by the reform did not manage to convince the majority, whether it was because of the proposal's complexity,

the brief period available for its dissemination and discussion, or its elements that ran counter to any deepening of participatory democracy, which had been the legitimating principle of the Bolivarian project since the outset. Chávez was undoubtedly weakened by his decision to radicalize his discourse and accentuate the polarization by accelerating changes without consultation and even demanding that other public powers preserve the confidentiality of what were, after all, significant and polemical transformations. As the political alliance backing Chávez weakened and his popular support sagged, the referendum culminated in his first important political setback.

In the Aftermath of the Defeat, 2007–2008

The deepening of the polarized official discourse at the beginning of Chávez's second government encouraged new types of resistance, which set loose a political dynamic somewhat different from that of previous years. One of the novel processes was that provoked by the closing in May 2007 of Radio Caracas Televisión (RCTV), a television station that had participated actively in the insurrectional activities designed to overthrow Chávez in 2002. The president announced the impending closure in December 2006 from a military base and in uniform. In these circumstances, it proved difficult, inside and outside the country, to argue convincingly that it was not a case of political retaliation but rather a sovereign decision to exercise legal rights to refuse to renew the concession of access to the national airwaves to a firm that had violated institutional norms. Once Chávez threatened to close down the station, there were protests from business groups, from human rights organizations, and even from some who sympathized with the government. When the measure was finally applied, there were both violent and peaceful demonstrations across the country, and a student movement was revitalized that from then on became an important factor strengthening the forces opposed to the Bolivarians.

One of the consequences of their rejection of the reform proposal was that the opposition began to overcome the fragmentation and general weakness provoked by the failure of their previous insurrectional activities. Opposition personalities and parties managed to leave behind the radical short-term strategies that had proved so counterproductive and form a united opposition bloc dedicated to campaigning for a rejection of the proposal. Although the electoral playing field was by no means level, because of the enormous resources the government dedicated to its campaign, the opposition played according to the rules of the game. When the "No" won, even though it was the result more of government errors than of any merits of the opposition, the opposition nevertheless found their credibility enhanced among those who opposed the Bolivarian alternative.

The new government slogan "Fatherland, Socialism or Death," which the armed

forces are obliged to pronounce as a salute since Chávez imposed it in 2007, together with other decisions, such as the creation of a military reserve force, not only provoked Baduel to publicly assume a critical stance, but there was also a far less visible increase in the number of military officers asking permission for an early retirement (Barraiz 2007). The proposal to reduce the relative importance of the professional army through the creation of a popular militia is an evident source of tensions, although it is difficult to gauge their importance at this point. The "Yes" campaign, by personalizing the referendum and converting it into a plebiscite on Chávez, ended up being counterproductive, which helps us understand why 3 million Bolivarian sympathizers preferred to stay home on election day. Some of them even voted "No."

The government's defeat also favored, and even stimulated, a critical debate within the movement, which had undoubtedly been put off for too long. Whereas in 2007 criticisms were seen as little short of treason, after the defeat there was a healthy interchange of opinions among the Bolivarians, which contributed to understanding what had happened and why. Apart from the serious deficiencies of the proposal itself, in the Web site Aporrea, a gateway to the multiple opinions of people identified with the Bolivarian cause, there was an evident concern about the potentially negative effects of a growing and dangerous intolerance in the face of differences of opinion among Chavistas themselves. This *talibanism,* as it is called, provokes anxiety, dejection and demoralization. Stigmatizing political allies like those in PODEMOS or the PPT, simply because they were unwilling to dissolve themselves; applying pressure on trade union forces reluctant to lose their autonomy with the formation of socialist councils; scolding popular organizations or intellectuals who do not share the opinions of the president; expelling people from a party that had not yet been created—all these tendencies indicated a willingness to resolve problems in an authoritarian way, a means that undermines the capacity for recognizing and correcting errors and weakens the possibility of consolidating a hegemony, something that can no longer be taken for granted.

Another important factor was the way in which large cities have seen their basic, everyday problems not only lacking credible solutions but even getting worse over time. The result was that in the cities the "No" won more easily than in the rest of the country. The mobilization in favor of the reform paralyzed public administration in urban areas that are dirty and insecure, with serious problems related to basic services like electricity and transportation. With the poor and the middle classes suffering from inflation that was apparently out of control, and with shortages of basic products, it is difficult to expect any government to win an election. During 2007 the Bolivarians were so fascinated with their revolutionary rhetoric that they forgot about their obligation to govern.

After initial visceral reactions to the defeat, the president and his allies began to

draw up plans to recover the lost support. In the last days of December 2007, Chávez signed pardons and a broad-ranging Amnesty Law that freed the majority of those involved in the insurrectional activities of 2002 and 2003 from the threat of judicial proceedings. He also introduced cabinet changes designed to demonstrate greater efficiency in the management of security problems, the food supply, housing, communications, and relations with popular organizations. Weaknesses in all these areas had affected the election results. In January 2008, in his television program *Aló Presidente,* Chávez announced that during the following year his policies would be defined by what he called the three Rs: revision, rectification and re-impulse. He urged the grassroots bases of his movement to prepare for the November elections of governors and mayors, indicating that the candidatures "should be the result of what is decided at the grass-roots and not the result of closed meetings, agreements between the parties or the direction Chávez's finger points."[14]

Chávez also announced the relaunching of the PSUV and the need to revive the Patriotic Pole, his multiparty political alliance in the presidential campaign of 1998 (thus reversing his aggressive opposition to the latter in 2007). He said that all sectors had to be welcomed and that there was a need to launch a war against sectarianism and extremism, "because the revolution needs to be more open."[15]

Nevertheless, in January when he presented his annual report to the National Assembly, Chávez revealed the way he understood the reasons for his defeat. He suggested that his performance as head of state and as leader of the revolution had been positive, but as the head of the government he had not done as well.

As head of state, the president considered that his actions projecting Venezuela in the international arena had been a success. He mentioned initiatives such as ALBA and Petrocaribe and efforts to promote integration in Latin America and the Caribbean.[16] He said that the seeds of socialism were being sown in Venezuela and that nothing would stop it. The revolution had been characterized by its "respect for cultural diversity, its predilection for dialogue, its promotion of participative democracy." Nevertheless, Chávez had encountered many weaknesses in his performance as head of the government.

Chávez acknowledged the gap separating the claims of government publicity and the way Venezuelans were experiencing the results in everyday life. He assumed responsibility but said that in the case of governing he shared the responsibility with his ministers and the regional and local authorities. He mentioned the problems of insecurity, shortages, the lack of planning, the situation in the prisons, unpunished crimes, and the top-heavy bureaucratic weight of the public administration, all of which, he recognized, had led to a loss of confidence in his government. This speech indicated that in 2008 Chávez would attempt to handle the public administration more efficiently, but without modifying his socialist objectives.

The defeat of the proposed constitutional reform created a complex sociopolitical process that opened up a range of opportunities in 2008 to articulate a critique and an agenda for change. However, this dynamic cohabited with polarized practices as the president and his cabinet used the approved Enabling Law to introduce some of the rejected proposals. According to constitutional law experts, this procedure violates the 1999 Constitution, which establishes that a rejected reform cannot be presented again in the same constitutional period (art. 345). In the election of November 2008, Chavismo won the majority of governorships as well as mayoralties; and in a February 2009 referendum, a constitutional amendment was approved that removed the legal obstacles to the continuous reelection of the president and all other elected positions. After these victories, Chávez and his political alliance decided that they had overcome the 2007 defeat. They then proceeded in a more stark way to retake their radical path toward socialism of the 21st century, forgetting promises of openness toward forces or voices that opposed or dissented from their policies.

2009: Fiscal Crisis and Social Unrest

Paradoxically, following the government's electoral triumph in 2009, growing social and political tensions in Venezuela started to become visible, eroding the popularity of the president and his socialist project. In the economic sphere, the world financial crisis began to severely affect the economy and public finances, producing the kind of economic recession and fiscal crisis typical of mono-export petroleum-based economies (see chapter 3). Despite Chávez's insistence during the electoral campaign that Venezuela's "socialist" economy was "armored" against the capitalist financial crisis, by the end of 2008 frequent complaints by providers of goods and services in the national petroleum industry were already beginning to appear in the press regarding delays in government payments. PDVSA announced a postponement of its plans for foreign expansion (including refineries in Ecuador, Nicaragua, and Cuba) and a 40% reduction in its 2009 investment program (*El Nacional,* Jan. 27, 2009).

In March, after winning the referendum on the constitutional amendment, the government was honest and recognized the difficulties that it faced, proposing a package of what it called "anti-crisis" measures (*El Nacional,* March 22, 2009; *El Universal,* March 22, 2009).[17] The package was to include a readjustment of the 2009 budget and a reestimation of the reference price of the Venezuelan oil basket, reducing it from $60 to $40. The estimated volume of production was also lowered from 3.3 million to 3.1 million barrels per day. In the budget, a 6.7% spending cut was enacted, and the value added tax was raised from 9% to 12% beginning on April 1. The enactment of a law of remuneration for the public administration was also announced, with the aim of putting limits on the salaries of the highest-ranking officials. The president

also mentioned a nominal increase of 20% in the minimum wage for the year 2009, to take effect in two parts. However, this increase was less than the inflation index for the previous year, so that there was a real decrease in the minimum wage, with similar implications for the entire salary scale. It was the first time in recent years that the minimum wage had suffered a decrease (López Maya and Lander 2009). The anti-crisis package reflected more than a comprehensive economic program for confronting the crisis, with measures aimed at overcoming difficulties considered temporary until the international market for hydrocarbons recovered. In early 2010, this recovery was still not sufficient and the figures of the Central Bank revealed an economy in recession, with a 3.3% contraction in GDP and an inflation rate of 25% in 2009. In January 2010 the government announced a devaluation of the currency, establishing two exchange rates with respect to the dollar: the first was a 20% devaluation of the currency, reserved for government imports, medicines, and foodstuffs; the second was a 100% devaluation for imports in the private sector. The limit on dollars for travelers approved the previous year was maintained, and control of the allocation of dollars became more pronounced.

In the sociopolitical sphere, the government accelerated the transformation of the state. This entailed, among other measures, the continued nationalization of businesses considered strategic and an increase in the expropriation of land, with the aim of creating what the government called a "new socialist productive model." Various laws and reforms were enacted with the goal of recentralizing powers in the national executive that in previous decades had been transferred to regional and municipal governments (these included reform of the Organic Law of Decentralization and the enactment of the Special Regime of the Capital District, among others). The government also continued its strategy of achieving dominance in the media, revoking the concessions awarded to 34 radio stations, expanding its own radio stations, and once again closing the television station RCTV, which had returned to the air via satellite television. Another change was the passage of the Organic Law of Electoral Processes, which, contravening the constitution, eliminated proportional representation and replaced it with a majoritarian system (Ojo Electoral 2009). An Organic Law of Communal Councils was also passed, giving these participatory forms an intermediate status between social and governmental organizations.

At the time of this writing, the government was following a path toward the construction of a centralized state with authoritarian tendencies. In recent months there was a marked increase in political repression. The former minister of defense, Raúl Isaías Baduel, who publicly dissented from the president's socialist model, was arrested in 2009 on charges of administrative corruption during his tenure as minister. The president of the labor union Ferrominera Orinoco, Rubén González, who had led a labor strike, was arrested. Richard Blanco, president of the Alianza Bravo Pueblo party;

Oswaldo Álvarez Paz of COPEI; and the student leader Julio César Rivas were also arrested and imprisoned on charges of conspiring against the regime and instigating civil war. Some were released after weeks or months in prison. Meanwhile, street protests were increasing in number, driven both by unsatisfied socioeconomic demands in a context of deteriorating living conditions and by a decrease in the enjoyment of civil and political rights. The tendency of the government was to increase repression against peaceful protests through the use of "judicialization": opening criminal proceedings against those who organized and participated in marches, assemblies, and other kinds of peaceful protest. The nongovernmental Program of Human Rights Education-Action (PROVEA) asserted in its 2009 report that more than 2,240 protesters had been subjected to criminal proceedings and, in almost all of these cases, had had restrictions placed on their liberty (PROVEA 2009, 300–301). In addition, it reported the deaths of 7 people during peaceful protests, 5 by state security forces and 2 by armed civilians (196).

Conclusion

In Venezuela, the exhaustion of the ISI model and the application of neoliberal policies opened the way for two decades of economic disorientation and social decomposition. This contributed to a political and institutional crisis that, at the end of the 20th century, appeared to be irreversible. It was in this context that the conditions were set for the emergence of a populist rupture of leftist ideological orientation. In the 1998 campaign, Chávez and his electoral movement, the Patriotic Pole, took up the delayed demands for social justice and the deepening of democracy. They combined these with an aggressive, polarizing discourse that emphasized their determination to definitively displace traditional political elites and overcome the prolonged economic crisis through an antineoliberal model. They won with a comfortable majority of votes.

Once in power, Chávez and his followers sought to reconstruct the national state based on ideas of participatory and "protagonistic" democracy. In the economic realm, except for the state's recuperation of control over public policies related to oil, the model was vague, emphasizing the centrality of the state in the regulation of economic activities in order to guarantee a democratization of the means of production.

The attempts at social and institutional transformation developed in the 1999 constitution were met with fierce resistance by powerful groups and hegemonic actors of the past. A violent hegemonic struggle ensued, with one stage culminating in 2005—after the opposition withdrew from parliamentary elections—with a resounding victory for Chávez and the Bolivarians. This struggle changed internal relations within the Chavista coalition, giving a preeminent place in the Bolivarian politi-

cal alliance to the military, whose actions were decisive for the political survival of the Chávez government. In addition, the sustained mobilization of popular sectors and their direct relationship with the president, without need for intermediaries, weakened still more the already weak role of parties in the political regime being constructed.

The Chávez era may therefore be divided into two periods on the basis of its objectives and characteristics. Until 2006 the government was guided—not without contradictions—by ideas of participatory democracy, which involved a mixed economic model. It was redistributive in the social sphere and combined liberal institutions of representation with mechanisms of direct democracy. Strengthened by its hegemonic triumph, after 2006 the government initiated a new phase, emphasizing its statist tendencies in the economy and maintaining its redistributive orientation. Politically, there was a turn toward the construction of a highly centralized state apparatus, which concentrated power in the hands of Chávez and was characterized by growing authoritarian features. Liberal institutions tended to be weakened: there ceased to be a separation of powers or fully competitive elections, and there was a blurring of the boundaries separating state, government, party, and the participatory social organizations driven from above. The diversity of participatory innovations from the first period was weakened in order to make space for the communal councils. Civil and political rights were weakened.

The world financial crisis of 2008–9 and its effects on international oil prices put the viability of Chávez's socialist project into doubt. This crisis made evident the weakness of the Venezuelan economy, which was once again going through the typical cycle of boom and bust characteristic of mono-export oil economies (see chapter 3). Once again, there was a reappearance of what the anthropologist Fernando Coronil has called the "Magical State" (1997). Today, just as in the past, the new political elites have imagined a model of society that lacks a solid material base. The project of the second term of Chávez is similar to the first government of Carlos Andrés Pérez, when the oil boom of the 1970s fueled the proposal of a "Great Venezuela," which collapsed once oil rents proved insufficient to finance it. Like that attempt, "21st-Century Socialism" seems to lack adequate strategies for creating a diversified and productive economy. The consequence is frustration among the masses, reflected in surveys that demonstrate social discontent and a decline in the popularity of the president.

In this book, Chavismo and its performance over the past 11 years represent the most extreme case of leftist populism within the political turn taken by Latin America in the 21st century. The oil-producing nature of the Venezuelan economy, the characteristics of the petro-state, the values inculcated by "rentierism," the nature

and actions of the new hegemonic actors, and their interactions with those who have opposed them explain both why they have remained in power and the growing tendencies toward a centralized, personalistic, and authoritarian model. During the boom in international oil prices, the model seemed to be on its way toward consolidation. The financial shocks to the world economy since 2008, however, have made evident its economic vulnerabilities and called into question its political tendencies. If it fails, the Venezuelan case could reinforce the experience of the more moderate left in the region. In the best of cases, Venezuela could see a turn toward a moderate version of socialism; in the worst of cases, it could take a drastic turn to the right, with devastating consequences for democracy.

NOTES

1. The Bolivarian military, including Chávez, have frequently shown signs of their admiration for Pérez Jiménez. When the dictator died in Spain in 2001, there were some who intended to propose an agreement in the National Assembly in favor of an official period of mourning. (Gerardo Blyde, *El Universal,* Sept. 28, 2001). In 2008 in *Aló Presidente,* Chávez praised Pérez Jiménez and his nationalist project vis-à-vis the post-1958 Punto Fijo democracy (*Tal Cual,* Sept. 1).

2. Those who stand out are Ernesto Mayz Vallenilla, Jorge Olavarría, and Alfredo Peña. The latter was to be a member of the Constituent Assembly and mayor of Caracas.

3. José Rafael Nuñez Tenorio, interview, Caracas, August 18, 1997.

4. Ricardo Sucre Heredia, personal communication, February 2008.

5. The most outstanding case is that of Francisco Arias Cárdenas, who had been a cofounder of the MBR 200 but later broke with Chávez and served as the opposition candidate in the elections of 2000. In 2006 he and the president were reconciled, and he was appointed Venezuela's representative to the United Nations and then vice chancellor for Latin America.

6. For a general account of the insurrectional phase of the opposition, see López Maya 2006. Some of the information for this chapter is taken from this source.

7. Banco Central de Venezuela, www.bcv.org.ve.

8. As there is not much independent information on the NUDEs, here we rely basically on Parker 2007.

9. For this section I rely primarily on López Maya 2006 and Maingón 2006.

10. According to Laclau, the greater the "lack of content" the better, because this offered the opportunity to absorb a wider range of meanings that people were anxious to express, in order to reflect their sufferings and their aspirations (2005).

11. Ministerio del Poder Popular para la Comunicación e Información, www.mci.gob.ve/alocuciones/4/.

12. Facultad de Ciencias Jurídicas y Políticas de la Universidad Central de Venezuela, www.juri.ucv.ve/cambioconstitucional/pagina2.htm.

13. Decreto Reforma Constitucional, www.nodo50.org/plataformabolivariana/Externos/DecretoReformaCost.pdf.

14. *El Nacional,* www.el-nacional.com/www/site/p_contenido.php.

15. *El Nacional,* January 2008.

16. *Ultimas Noticias,* January 13, 2008.

17. The announcement of these measures was not covered in the portal of the Ministerio del Poder Popular para la Información y la Comunicación (MINCI). I have therefore resorted to periodical sources.

CHAPTER TEN

Bolivia

Origins and Policies of the Movimiento al Socialismo

RAÚL MADRID

In Bolivia, as in much of Latin America, the Left is resurgent. In 2005 Evo Morales, the indigenous leader of a relatively new leftist party, the Movimiento al Socialismo (MAS), or the Movement toward Socialism, captured the presidency with a majority of the popular vote, the first time any presidential candidate has won an electoral majority since the return to democracy in 1982. Morales and the MAS followed up this victory with equally resounding triumphs in various other elections, including the 2009 presidential and legislative elections.

What explains the resurgence of the Left in Bolivia? Why has the Left come back into power, and what does this mean for public policy and democracy in Bolivia?

This chapter argues that the rise of the MAS been driven by some of the same factors that have led to the ascension of the Left elsewhere in Latin America, namely, growing disenchantment with market-oriented policies and the parties that implemented them.[1] This does not mean that Bolivians became significantly more likely to identify themselves as leftists. In Bolivia and most other Latin American countries, the percentage of people who identity as leftists has risen only modestly in recent years (Seligson 2007; Arnold and Samuels in chapter 1 of this volume). Nevertheless, support for market-oriented policies, especially privatization, declined significantly during the late 1990s and early 2000s, and disenchantment with the existing parties and the performance of democracy grew (Madrid 2010; Baker and Greene 2011). The MAS, as we shall see, was able to capitalize on this disenchantment.

The MAS appealed to the growing pool of disaffected voters in part by developing a traditional leftist agenda. It opposed trade liberalization, privatization, and other neoliberal policies and called for income redistribution, agrarian reform, and the nationalization of natural resources. It also harshly criticized the traditional parties as corrupt and ineffective institutions that were subservient to foreign interests and domestic elites. In addition, the MAS has won votes by making clear ethnic appeals, and in this sense it has differed from the other populist and leftist parties that

have taken power in the past decade. But the MAS has eschewed exclusionary ethnic appeals in favor of a more inclusive approach. Thus, it has also actively pursued the support of nonindigenous as well as indigenous voters and has recruited many white and mestizo leaders and organizations to the party.

The Morales administration was elected on a relatively radical platform, and in power it has moved rapidly to fulfill many of its campaign promises. It has created a new constitution, it has enacted an agrarian reform plan, and it has asserted greater state control over the gas industry. The Morales administration has also often engaged in radical, even incendiary, rhetoric. It has frequently characterized itself as a revolutionary government intent on bringing sweeping changes to Bolivian society, it has distanced itself from the United States, and it has embraced the icons of the Latin American Left, from Fidel Castro to Hugo Chávez. Nevertheless, in some ways the Morales administration's record of governance has been more radical in rhetoric than in reality. Specifically, the economic and social policies of the Morales administration have not represented a dramatic break with the past in large part because a variety of political, ideological, economic, and administrative constraints have hindered the government from pursuing the more radical economic and social policies favored by its social movement base. Thus, the Morales administration's economic and social policy is most appropriately coded as heterodox, like the policies of Argentina and Ecuador, rather than statist, like Venezuela's.

The Morales administration's orientation toward democracy, meanwhile, is predominantly plebiscitarian, although it contains elements of radical and liberal approaches to democracy. Like a liberal democracy, the Morales administration has respected human rights and civil liberties and has carried out free and fair elections. Like a radical democracy, the government has encouraged social mobilization and has engaged in a continual dialogue with the leaders of social movement organizations. Nevertheless, the administration also has sought to weaken horizontal accountability and concentrate power in the executive branch. It has used referenda, elections, and mass mobilizations to overhaul the country's political institutions, weaken the opposition, and push its policy agenda. Thus, the impact of the MAS on Bolivian democracy has been decidedly mixed. Although the MAS has helped boost political participation and increase mass satisfaction with democracy, particularly among the indigenous population, it has exacerbated political and regional polarization and undermined democratic checks and balances.

The Rise and Evolution of the MAS

The meteoric rise of the MAS is surprising given that the Left had fared poorly in Bolivia since the left-wing coalition government of the Unión Democrática y Popular

(UDP) came to an end amid a severe economic crisis in 1985. The Movimiento de Izquierda Revolucionaria (MIR) was the only left-wing party that fared well in the years that followed, and it did so in part by shifting to the right. The MIR embraced market-oriented policies and formed an alliance with Acción Democrática y Nacionalista (ADN), the party of the former dictator and long-time MIR opponent General Hugo Banzer. None of the more radical left-wing parties, meanwhile, managed to win more than a small fraction of the national vote.

At the outset, the MAS provided little indication that it would be any more successful than previous leftist parties. Indeed, the MAS and its precursors achieved only modest results in the first few elections in which they competed. In the 1997 elections, for example, the predecessor of the MAS, the Asamblea Soberanía de los Pueblos (ASP), won only 3% of the national vote. The MAS finished a surprising second in the 2002 elections with 20.9% of the valid vote, however, and then built on that performance in subsequent elections. In the 2005 presidential elections, Morales and the MAS won 53% of the valid vote, more than 25 percentage points ahead of the runner-up, Jorge Quiroga of Poder Democrático y Social (PODEMOS). The MAS followed up this victory with decisive triumphs in the 2006 Constituent Assembly and the 2009 general elections, as well as in several referenda held during that period. Indeed, in the 2009 general elections, Morales was reelected with an astonishing 64% of the valid vote.

As it rose to prominence, the MAS underwent an internal transformation. As the introductory chapter notes, the MAS is an example of the movement Left. It emerged from rural social movements, and these groups continue to form the backbone of the MAS, but it has expanded to include a diverse array of social movements. The predecessor of the MAS, the ASP, was first created in 1995 at the instigation of several largely indigenous, rural social movement organizations, including the principal confederation of highlands peasant unions, the Confederación Sindical Única de Trabajadores Campesinos de Bolivia (CSUTCB). The main force behind this decision came from the powerful coca growers' unions in the Department of Cochabamba, which had seized control of the CSUTCB in the early 1990s. The coca growers' unions dominated the leadership of the party during its early years, and their members provided most of the party's initial base of support. Beginning in the 2000s, however, the MAS reached out to other social movements throughout Bolivia, including many urban, mestizo-dominated groups. A wide variety of unions, neighborhood associations, and trade associations, such as organizations of teachers, truckers, street vendors, and factory workers, joined the party and helped it win support in urban, mestizo-dominated areas where it had formerly been weak.

The structure of power within the MAS also changed over time. During its early years, authority within the party was dispersed among a variety of leaders. At its

founding, the ASP was headed by Alejo Véliz, who was the party's presidential candidate in the 1997 elections, and Morales occupied the second-most-important position in the party. Personal disagreements between Morales and Véliz led the ASP to split up in 1998, and Morales and his supporters founded a new party, borrowing the registration of a defunct left-wing party, Movimiento al Socialismo. In the past decade, Morales has gradually consolidated control of the party, emerging as its unquestioned leader. He exercises a great deal of influence over all aspects of the party, from choosing its candidates to deciding its policy agenda.

Morales's control over the MAS is made possible in part by its weakly institutionalized nature: the party lacks the rules and bureaucracy of older parties.[2] Moreover, Morales's personal popularity strengthens his authority: Morales routinely wins more votes than any of the party's other candidates in elections. He has become so popular that some analysts now speak of a cult of Evismo that is similar to the personality cults surrounding other Latin American populist leaders, such as Juan Perón in Argentina or Victor Raúl Haya de la Torre in Peru ("En la emancipación . . . " 2006; Madrid 2008, 492).

In its increasing personalization of power, the Morales administration has come to resemble the governments of Rafael Correa in Ecuador and Hugo Chávez in Venezuela (see chapters 9 and 11). Nevertheless, as Levitsky and Roberts argue in the introduction, the MAS differs from these governments in that social movements have considerably more influence in Bolivia than they do in Ecuador or Venezuela. Social movement leaders make up almost the entirety of the party's National Leadership (Dirección Nacional), which helps define the party's policies. Morales also consults regularly with a broader group of social movement representatives through the National Coordinator for Change (CONALCAM) as well as in assemblies (*ampliados*) and biannual congresses. According to the leaders of the MAS, all of the MAS's major policy decisions in recent years have been discussed first with the party's social movement base (Carlsen 2007, 5).[3] Thus, although Morales has consolidated his control of the party, authority is still more diffused in the MAS than it is in the Correa or Chávez administrations. As the MAS senator and former vice-presidential candidate Antonio Peredo told me, "Morales is very strong, but he is not all powerful."[4]

Explaining the Rise of the MAS

The success of the MAS stems in part from growing disenchantment with neoliberal policies and the parties that implemented them.[5] Neoliberal policies were first implemented in Bolivia in 1985 in response to the severe economic crisis that engulfed the country during the UDP administration. The Movimiento Nacionalista Revolucionario (MNR) government that took over in 1985 drastically cut government spending,

laid off workers, closed many of the mines, and opened up the economy to foreign trade and investment. These measures succeeded in bringing down inflation, which fell from more than 11,000% in 1985 to 11% in 1987 and remained low in the years that followed. They also helped restore economic vigor, although GDP growth remained relatively modest, increasing by 3.5% annually in real terms between 1986 and 1997 (PNUD 2002, 83). The three parties—the MNR, the ADN, and the MIR—that presided over this economic growth and stability were initially rewarded with the support of the majority of the electorate. In 1989, for example, these three parties won 72.4% of the total vote nationwide.

Over time, however, disenchantment with these three parties, known as the traditional parties, and their policies began to emerge. By 2004, only 23.4% of the population reported that they had confidence in parties, making them the least trusted institution in Bolivia that year (Seligson, Moreno Morales, and Blum 2004, 102). Many people came to view the traditional parties as corrupt and self-serving organizations. The economic difficulties that Bolivia encountered beginning in the late 1990s contributed to this disenchantment. Between 1998 and 2003, the Bolivian economy stagnated. According to the Inter-American Development Bank (2006a), Bolivia's gross domestic product per capita was lower in 2005 than it had been in 1998. Partly as a result, support for market policies evaporated and social protests accelerated. The percentage of people who agreed or strongly agreed with the statement that privatization had been beneficial to the country declined from 55% in 1998 to 25% in 2005 (Latinobarómetro 2005, 76). Social protests, meanwhile, rose from an average of 13 per month during the first administration of Gonzalo Sánchez de Lozada (1993–97) to 28 per month during the government of Hugo Banzer (1998–2001) and a high of 52 per month during the administration of Carlos Mesa (2003–5) (Laserna 2007, 109). Many of these protests focused specifically on neoliberal policies. This was true of the famous Water Wars of 2000, which opposed efforts to privatize the water supply in the city of Cochabamba, and the Gas Wars of 2003, which sought to block the export of natural gas through Chile.

The discontentment with the government and its market-oriented policies was particularly noticeable in indigenous areas. The indigenous population had always been worse off than the nonindigenous population in Bolivia, but in the late 1990s and early 2000s, the socioeconomic situation of rural indigenous people actually grew worse. The percentage of rural indigenous people living in extreme poverty rose from 65% in 1997 to 72% in 2002, although the poverty rate declined slightly among the urban indigenous population (Hall and Patrinos 2006). The failure of the leading parties to bring economic or social progress to the indigenous areas led their share of the vote in these areas to decline steadily (Madrid 2005). In 1989 the MNR, the ADN, and the MIR together won 64.6% of the valid vote in provinces where a majority of

the population reported growing up in a home in which an indigenous language was spoken, but in 1997 these three parties accounted for only 49.5% of the vote in these provinces, and by 2002 their share had fallen to 31.5%.

The MAS filled the void created by the decline of the traditional parties. It wooed the support of disaffected voters with its steadfast opposition to the government's policies and its strong nationalist and anti-establishment rhetoric. The leaders of the MAS vigorously opposed the neoliberal model, criticizing privatization, free trade agreements, and the government's plans to export gas through Chile, Bolivia's historical enemy. They argued that the government's policies had impoverished the country and undermined Bolivian sovereignty, and they vowed to create jobs, redistribute land and wealth, and reassert state control over the country's natural resources.

The MAS also sought to activate ethnic loyalties. The MAS, as we have seen, had roots in the country's indigenous organizations, and these organizations helped the party campaign intensively in indigenous areas, providing activists, food, transportation, and venues. Unlike the traditional parties, the MAS recruited numerous indigenous leaders as candidates, which enhanced the party's appeal among the indigenous population. The MAS also embraced traditional indigenous demands, such as land reform, local autonomy, bilingual education, and the recognition of indigenous systems of justice. It campaigned particularly vigorously against the government's coca eradication programs, arguing that the coca leaf played an important role in indigenous culture. In addition, the leaders of the MAS made symbolic appeals to the indigenous population, portraying the party as the legitimate representative of the indigenous population and using indigenous languages, clothing, and symbols in the campaign.

The MAS also made great efforts to be inclusive, however. Its leaders eschewed exclusionary language and repeatedly emphasized that the party was open to all people. Initially, the vast majority of the party's candidates for office were indigenous people, but as time went on the MAS recruited many whites and mestizos as candidates. Indeed, in 2002 and 2005, the party's vice-presidential candidates and a majority of the party's senators were white or mestizo. The MAS also established close ties to numerous urban mestizo-dominated organizations. In the 2005 elections, for example, the MAS forged an alliance with a mestizo-dominated party, the Movimiento Sin Miedo, which was led by the mayor of La Paz. In addition, the MAS developed a broad-based platform and policy agenda in order to appeal to people of all ethnic backgrounds, rather than focusing strictly on rural, indigenous issues.

The MAS's inclusive approach was necessary in part because of the nature of ethnic identification in Bolivia. Although approximately half of the Bolivian population speak an indigenous language, most of the country's speakers of indigenous

languages identify as mestizo rather than indigenous, in large part because of social discrimination against the indigenous population. In various surveys, less than 20% of the population has typically identified as indigenous. Moreover, those people who do self-identify as indigenous are divided among Quechuas, Aymaras, and various lowlands indigenous groups. To win support of people from these varied backgrounds and identities, the MAS needed to adopt an inclusive approach.

Previous indigenous-based parties in Bolivia fared poorly, largely because they had failed to adopt an inclusive approach. Some of these parties, such as the Movimiento Indígena Pachacuti (MIP) of Felipe Quispe and other so-called Indianista parties, alienated not only whites and mestizos but also many indigenous people with their exclusionary rhetoric. Quispe, for example, was famous for denouncing whites and mestizos and for proposing the creation of an Aymara nation. Other indigenous parties, known as the Katarista parties, avoided exclusionary rhetoric, but these parties largely failed to recruit white, mestizo, or even Quechua leaders to their parties or to establish ties with organizations outside of Aymara-speaking areas. Not surprisingly, these parties fared poorly outside of the Aymara heartland.

The MAS's inclusive approach, by contrast, helped it win support from people of all different kinds of ethnic backgrounds, according to my analysis of a 2006 survey by the Latin American Public Opinion Project (Madrid 2008). The MAS fared particularly well among people who self-identified as indigenous, winning 71.1% of their votes, but self-identified indigenous people represented only 28% of the MAS's total vote in the 2005 elections. It was the large mestizo vote that was crucial to the MAS's victory in 2005. The MAS won 51% of the vote of people who self-identified as mestizo, and mestizos represented 62% of the party's total vote in the 2005 elections. More than two-thirds of the mestizos who reported voting for the MAS had grown up speaking an indigenous language. Indeed, these indigenous-language-speaking mestizos accounted for 43% of the MAS's total vote. Aymara-speakers were somewhat more likely to support the MAS than Quechua-speakers, but both groups overwhelming supported the party in 2005.

The MAS's leftist platform also helped it win high levels of support (Romero Ballivián 2002, 191; Seligson et al. 2006, 89–90). According to my analysis of the 2006 Latin American Public Opinion Project (LAPOP) survey, more than three-quarters of the people who identified themselves as left-of-center reported voting for the MAS in 2005, and left-of-center voters represented almost half of the MAS's vote that year.[6] People who supported the nationalization of the gas industry, who supported indigenous language education, or who had participated in protests against the Mesa administration were also significantly more likely to support the MAS in the 2005 elections (Madrid 2008, 496–97). In addition, the MAS fared disproportionately well

among the poor, older people, highlands residents, and members of unions, peasant organizations, and trade associations. Surprisingly, urban voters were just as likely to support the MAS as rural voters once other factors were controlled for.

The MAS's rise to power thus has been fueled by a combination of inclusive ethnic appeals and nationalist, antineoliberal, and anti-establishment rhetoric. The MAS has won support not only among indigenous voters, but also among traditional populist constituencies—that is, urban mestizos with left-of-center, nationalist, and anti-establishment views. In power, the Morales administration has worked hard to satisfy these varied constituencies.

The MAS in Power

Since taking office, the Morales administration has veered between radicalism and moderation, with its most radical actions centered in the areas of foreign policy and institutional reform. The government has dramatically altered the country's international alignments, forging close alliances with the Venezuelan administration of Hugo Chávez and other left-wing governments and distancing itself from the United States. The Morales administration also has moved to radically overhaul Bolivia's political institutions. In economic and social policy, however, the Morales administration's record of governance has been more radical in rhetoric than in reality. The Morales administration has certainly shifted Bolivian economic and social policy in a more heterodox direction, but it has yet to carry out sweeping state intervention. As we shall see, in these areas, the radical impulses of the Morales administration have been tempered by a variety of constraints.

FOREIGN POLICY

The government's foreign policy represents a significant departure from past policies because it has forged new alignments and traditional ones have frayed. The Morales administration has established new alliances with the government of Hugo Chávez in Venezuela and the regime of Fidel and Raúl Castro in Cuba and has received assistance from both countries. Cuba, for example, has sent considerable numbers of medical personnel to Bolivia, while in recent years, Venezuela has been providing approximately $70 million in annual assistance, including military aid (Fernández 2010, 85). Bolivia also has joined several new regional organizations that Chávez has promoted, such as the Banco del Sur, a regional development bank; PetroAmérica, an oil and gas initiative; and the Bolivarian Alternative for the Americas (ALBA), a regional economic partnership meant to provide an alternative to signing a free trade agreement with the United States (Kohl and Farthing 2008, 8–9). In addition, the Morales administration has pursued closer ties with some traditional U.S. antago-

nists, such as Iran, Russia, and the People's Republic of China.[7] In 2007, for example, Morales and Iranian president Mahmoud Ahmadinejad met in La Paz and issued a joint declaration establishing a $1.1 billion industrial cooperation plan (Fernández 2010, 90–91).

Relations with the United States, by contrast, have deteriorated. Morales has frequently criticized the U.S. government and has accused it of being involved in plots against him. The Morales administration, for example, has accused the United States of funding opposition groups and of trying to overthrow his government. In late 2008, Morales expelled the U.S. ambassador, Philip Goldberg, saying, "We do not want people here who conspire against democracy." The United States responded by expelling the Bolivian ambassador to the United States. Even more importantly, in late 2008 the George W. Bush administration announced that Bolivia was "failing to cooperate with the United States on important efforts to fight drug trafficking" and suspended its access to trade preferences under the Andean Trade Promotion and Drug Eradication Act (ATPDEA) (Mathis 2009, 1). This put at risk the jobs of approximately 40,000 Bolivians who work directly or indirectly in manufacturing firms that depend on exports to the United States (Fernández 2010, 87). The Morales administration retaliated by expelling the U.S. Drug Enforcement Agency from the country.

Nevertheless, the Bolivian government under Morales has continued to fight narcotics trafficking. The government recently announced that narcotics seizures have increased markedly under the Morales administration, although this may partly reflect higher levels of trafficking ("Growing evidence" 2010, 5). The government also has increased the amount of voluntary coca eradication and has carried out some forced eradication, while at the same time expanding the amount of coca that farmers are allowed to grow legally.

The Morales administration hoped that relations with the United States would improve significantly once Obama took office, but as of late 2010 that had not occurred, in spite of some conciliatory statements by both sides. The Obama administration has continued to provide some assistance to Bolivia through the U.S. Agency for International Development for antinarcotics activities as well as aid for economic development and democracy-building programs. Nevertheless, the Obama administration has yet to restore trade preferences for Bolivia, and relations remain relatively frosty.

ECONOMIC POLICY

In contrast to foreign policy, the Morales administration's economic policy has exhibited a surprising degree of continuity with the past. Veltmeyer and Petras conclude that the government has "pursued a macroeconomic policy of stabilization, austerity

and fiscal discipline, almost to order and as prescribed by the IMF . . . [and it] has made no moves whatsoever . . . to challenge the existing structure of a neoliberal capitalist state" (2007, 112–13). Webber similarly argues that "in the MAS's first year in office deep patterns of continuity with the inherited neoliberal economic model have been discernible in terms of the implementation of key economic policies and the class interests they serve" (2008, 82).

To be sure, the Morales administration has expanded state intervention in the economy. It has increased its control over the natural resource sector, and it has nationalized some foreign-owned companies. Despite its periodic criticisms of capitalism, however, the government has not sought to carry out a transition to socialism or change the existing pattern of development, which is focused largely on the export of natural resources (Gray Molina 2010).[8] Indeed, official government documents have explicitly precluded a transition to socialism, and Alvaro García Linera has argued that the country must proceed through various stages of industrial capitalism before moving toward socialism (Webber 2008, 82). Moreover, the government has largely respected private property and has sought to encourage private investment. García Linera, for example, has emphasized that "the government of president Morales respects private property, respects religion, respects healthy business activity, guarantees private participation in education and health" (89–90).

The government's most important economic reform initiative to date has been the partial nationalization of the Bolivian natural gas industry. The nationalization program obliged foreign gas companies that had been privatized in the 1990s to sell back to the Bolivian government enough shares to give the Bolivian state gas company majority ownership in their Bolivian operations. A couple of companies that failed to reach an agreement with the Bolivian government had 50% plus one of their shares taken over by decree in May 2008. The Morales administration also obliged all foreign-owned gas companies to negotiate new contracts that dramatically increased the prices, royalties, fees, and taxes that these companies must pay to the Bolivian government. As a result of these changes, the amount of funds that the Bolivian government earns from gas revenues skyrocketed, reaching $967 million in 2007 (Gray Molina 2010). Total government revenues, meanwhile, rose from 31.7% of GDP in 2005 to 48.4% in 2008 (Weisbrot, Ray, and Johnston 2009, 12).

The Morales administration has used these increased revenues to boost government spending somewhat, but spending increases have not matched revenue growth. As a result, the government ran large fiscal surpluses between 2006 and 2008 (Weisbrot, Ray, and Johnston 2009, 13). The government did boost spending considerably in 2009, leading to the emergence of a fiscal deficit, but this policy helped the country avoid the economic downturn that afflicted much of the region that year.

The government also has demonstrated moderation in its international economic

policy. The Morales administration has imposed selective trade restrictions, such as a temporary ban on the export of cooking oil, but by and large it has maintained open trade policies. Its weighted average tariff rate was only 4.1% in 2008, although it did maintain some nontariff barriers (Heritage Foundation 2010). Bolivia has declined to sign a free trade agreement with the United States, but the Morales administration has sought to maintain access to U.S. markets and was upset when its trade preferences through ATPDEA were suspended.

The Morales administration's heterodox economic policies have generated mostly positive results so far. In the past four years, the Bolivian economy has grown more than at any time in the last three decades, and in 2009 Bolivian economic growth was projected to be the highest in the region (Weisbrot, Ray, and Johnston 2009, 3). Foreign investment has risen somewhat in recent years, although it is still much lower than it was in the 1990s and early 2000s, and Bolivia has benefited from having a significant portion of its foreign debts forgiven by the World Bank and the Inter-American Development Bank (Weisbrot and Sandoval 2007, 1). The Morales administration has successfully diversified its trade partners, and its dependence on the United States has declined considerably. Brazil is now the country's largest export market, followed by South Korea (Weisbrot, Ray, and Johnston 2009, 25). Bolivia also has run a large trade surplus in recent years, owing in part to its increased exports of hydrocarbons. In 2008, for example, the trade surplus totaled 13.3% of GDP (13). The trade surplus, along with the increased foreign investment and debt forgiveness measures, have bolstered Bolivia's current-account position and enabled it to accumulate substantial international reserves. Bolivia's strong current-account position enabled the Morales administration to opt not to renew its Standby Agreement with the International Monetary Fund when it expired in 2006 (Webber 2008, 82).

Not all economic indicators have been positive, however. The economic growth that Bolivia has experienced in recent years has yet to make a significant impact on unemployment or poverty. Moreover, inflation has increased significantly during the first few years of the Morales administration, reaching double digits in 2007 and 2008, although it declined in 2009 and is still quite low by historical standards in Bolivia. Some observers question the long-term sustainability of the Morales administration's economic policies, particularly given the country's dependence on natural gas exports and its difficulty fulfilling production quotas (see chapters 3 and 4). Nevertheless, on balance the performance of the Bolivian economy under Morales has been good so far.

SOCIAL POLICY

The MAS has eschewed radicalism in social policy as well, focusing instead on deepening or broadening policies that were enacted by previous governments. It has sig-

nificantly increased social spending, but many of its social programs, such as the Bono Juancito Pinto and the Bono Juana Azurduy, are relatively inexpensive and are targeted rather than universalistic. Thus, in social policy as well, the Morales administration is most appropriately classified as heterodox.

The Morales administration's land reform initiative, which it enacted in 2006 after a protracted struggle in the Senate, is largely in keeping with the land reform principles laid down in the Sánchez de Lozada administration's 1996 land reform measure (Hertzler 2007; Kohl and Farthing 2008). Only unproductive large estates are subject to expropriation, and the productivity requirements are relatively low. Moreover, landowners whose property is expropriated are eligible for compensation from the government (Kohl and Farthing 2008, 10). In announcing the reform, the Morales administration promised to redistribute 20 million hectares, or 13% of Bolivia's land, over five years (Hertzler 2007). However, the land reform measure has progressed more slowly than planned, and much of the land that has been redistributed to date has belonged to the state (Veltmeyer and Petras 2007, 111–12). As of early 2008, the government had redistributed only 1.3 million acres (Kearns 2008). The Morales administration seems determined to proceed with its land reform initiative, however, and in early 2009 voters approved a referendum that limited purchases of private land to 5,000 hectares.

Other important social policy initiatives of the Morales administration, such as the Bono Juancito Pinto program, have also been well within the parameters of previous social policies. The Bono Juancito Pinto program, which is modeled on existing programs in El Alto, Bolivia, as well as elsewhere in Latin America, provides a small monthly cash payment of 200 bolivianos (approximately $29) to families whose children regularly attend school. It was initially directed only at children of primary school age, but it was recently expanded to cover students through the eighth grade, which will enable it to reach almost 1.8 million children (OEI 2008). The Morales administration believes that the Bono Juancito Pinto, along with other government programs, will help reduce the poverty rate from 59.9% (currently) to 42.4% in 2015 ("La nueva renta" 2008). Some observers, however, have criticized the Bono Juancito Pinto as a populist political measure that fails to address the structural origins of poverty (Kohl and Farthing 2008, 9–10).

The Morales administration has enacted some important reforms to the pension system, but these measures also have fallen short of being radical changes. For example, the government's Renta Dignidad program, which provides a noncontributory pension to Bolivian citizens over age 60, is merely an expansion of the Bonosol program that was implemented during the first Sánchez de Lozada administration, although the Morales administration increased the size of the pension and lowered

the minimum age at which one became eligible for it from 65 to 60 (Müller 2009). The Morales government has also announced reforms to the private pension system created during the Sánchez de Lozada administration ("El Gobierno Sacará" 2008). The government does not intend to return to the public pay-as-you-go pension system that was in force before 1996, however. Rather it plans to maintain the existing pension system, in which workers contribute to individual retirement accounts, except that the government instead of the private sector will manage the accounts.

The Morales administration has not yet carried out major reforms to either the health care or the educational system, but it has undertaken a number of initiatives in these areas. For example, the government has expanded literacy programs, enrolling hundreds of thousands of Bolivians. It also has proposed an expansion of the teaching of indigenous languages, history, and religious beliefs, although this initiative bogged down in the face of opposition from the Catholic Church and others. In the health sector, the government has opened new hospitals, increased the availability of eye surgery for cataracts and other serious diseases, and established a program to eliminate child malnutrition (Weisbrot and Sandoval 2007). It is also working to incorporate traditional indigenous medical practices. Perhaps most importantly, in 2009 the government announced the introduction of the Bono Juana Azurduy program, which will provide small payments to uninsured mothers who make prenatal and postnatal medical visits. The government also has proposed an ambitious universal health care system for all women, children, and the elderly, but this measure has yet to come to fruition. Thus, although the Morales administration has implemented significant reforms, it has yet to radically transform Bolivian social policy.

ORIENTATION TOWARD DEMOCRACY

Bolivia under the Morales administration most closely corresponds to what Levitsky and Roberts refer to in the introductory chapter as a plebiscitarian democracy, although it contains elements of other democratic types as well. Like Hugo Chávez in Venezuela and Rafael Correa in Ecuador, Morales has used repeated elections, referenda, and social mobilization to concentrate power, advance his policy agenda, and transform Bolivia's political institutions.

When the Morales administration first came to power in 2006, the opposition controlled both the Senate and a majority of the departmental governments. The Morales administration successfully undermined the opposition through a variety of measures. For example, Morales carried out a tax reform that deprived the departmental governments of a significant portion of their tax revenue. He also sponsored a recall referendum that led to the removal of the opposition prefects (governors) of Cochabamba and La Paz. And he initiated criminal charges against numerous opposi-

tion figures, including Manfred Reyes Villa, the former prefect of Cochabamba; Leonel Fernández, the former prefect of Pando; and five former presidents.[9] Various observers have argued that at least some of these prosecutions are politically inspired.

The government also has used protests and other forms of social mobilization to intimidate the opposition. The coca growers' unions and other social movement actors who form the core of the MAS have a long tradition of using social protests to achieve their aims, and these protests have continued since the MAS took power. Indeed, Laserna reports that the number of social conflicts per month was higher in the first year of the Morales administration than in any recent Bolivian government except that of Carlos Mesa (2007, 109). Social movements have demonstrated in front of the Congress to put pressure on the legislators to approve national referenda on the new constitution and on agrarian reform. Groups tied to the MAS also pressured the prefects of Cochabamba and La Paz, both of whom were members of the opposition, to resign or at least acquiesce to the Morales administration's policies. MAS supporters even set fire to the governor's palace in Cochabamba, causing the prefect, Manfred Reyes Villa, to flee.

The Morales administration also has taken other steps that undermine horizontal accountability. Morales has frequently criticized the National Electoral Court and has put pressure on some of its members to resign. He also has appointed his supporters to traditionally independent institutions, such as the Comptroller General's Office. In addition, the Morales administration has sought to gain control over the traditionally conservative judiciary through various measure including lowering judicial salaries. These efforts led to numerous resignations, but the Morales administration and the legislature were initially unable to come to an agreement on their replacements. In early 2010, however, the MAS used its newfound dominance of the legislature to push through a law authorizing Morales to appoint 5 Supreme Court justices, 10 Constitutional Tribunal judges, and 3 members of the Judicial Council.

The Morales administration's most sweeping political reform to date was the overhaul of the constitution. One of the new government's first acts was to call elections for a constituent assembly to draft a new constitution. In these elections, the MAS and its allies won a majority of seats in the assembly, but they fell short of the two-thirds margin necessary to make constitutional amendments. The MAS then passed a law stipulating that the Constituent Assembly had founding powers, which would have enabled it to enact the new constitution by a majority vote. This move was vigorously resisted by the opposition, however, and the result was a shutdown of the Constituent Assembly during its first six months of operation. This deadlock seemed to be resolved in February 2007 when the MAS reluctantly agreed to the two-thirds requirement. Nevertheless, the Constituent Assembly subsequently became embroiled in a controversy over the issue of whether to move Bolivia's capital from La Paz to

Sucre, Bolivia's original capital, where the Constituent Assembly was being held. The MAS's refusal to consider such a move led to violent protests in Sucre that brought the assembly to a halt. To avoid the protesters, the MAS shifted the assembly to a military facility outside of Sucre, which led the opposition to boycott the meeting. The MAS then approved the new constitution without the participation of the opposition, by a vote of 136 of the 138 delegates present, which represented barely a majority of the full Constituent Assembly. The constitution was subsequently approved by more than 60% of voters in a January 2009 referendum.

The new constitution brought about sweeping changes to the Bolivian state that strengthened executive authority and undermined horizontal accountability. One of the most controversial aspects of the new constitution was the provision allowing for the president to serve two consecutive five-year terms. In negotiations with the opposition in late 2008, however, Morales agreed to serve only one term under the new constitution in addition to the term he had served under the previous constitution.[10] Nevertheless, the new constitution strengthened Morales's hold on power in other ways. It called for the direct election of Supreme Court justices and lowered from two-thirds to a simple majority the percentage of congressional support required to confirm governmental appointees to certain posts, such as the human rights ombudsman, the comptroller general, and the National Electoral Court. This made it easier for the Morales administration to place its allies in key positions. The new constitution also helped the Morales administration gain control of the legislature by changing the system used to elect legislators, creating some reserved legislative seats for indigenous people, removing legal immunity from legislators, and allowing elected officials to be subject to recall elections. Finally, the new constitution recognized indigenous systems of justice; declared Bolivia a plurinational state; called for a large role for the state in economic and social policy; granted a wide variety of economic, social, and cultural rights to Bolivian citizens; and provided for departmental, provincial, municipal, and indigenous autonomy, not just the departmental-level autonomy that the opposition had wanted.

As called for by the new constitution, general elections were held in December 2009, and Morales and the MAS achieved a historic victory. Morales won reelection with 64% of the vote, but even more importantly, the MAS gained more than two-thirds of the seats in both the Senate and the Chamber of Deputies. This should make it relatively easy for the government to pass legislation and constitutional amendments in the future.

Although the Morales administration on the whole has behaved like a plebiscitarian democracy, it has respected some fundamental principles of liberal democracy. Elections held under Morales have been free and fair, according to the assessments of a variety of outside observers. The MAS has taken steps to increase voter registration

and turnout, and partly as a result, voter turnout has increased in recent years, particularly in indigenous areas.[11] In addition, the government has generally respected human rights and civil liberties, including freedom of speech and association and freedom of the press. According to a U.S. Department of State report, "the number of media outlets, including printed press, television, and radio, was extensive, and airing of various viewpoints, many expressing opposition to the government, continued" (2010). Morales has not been shy about criticizing the media in often harsh terms, however, and the state-owned media outlets have devoted disproportionate coverage to the MAS's candidates.

The Morales administration also has followed some of the tenets of radical democracy. As discussed previously, the government has consulted regularly with its social movement bases through assemblies and congresses, and it has even created some new channels for such consultation to take place. For example, shortly after taking office, the Morales administration created an organization, the National Coordinator for Change (CONALCAM), to bring together the heads of the social movement organizations with the president, his ministers, and congressional leaders in order to discuss government policies. The Morales administration also has permitted considerable autonomous social mobilization. Many of the groups mobilizing on the Left have only loose ties to the MAS, and the government is not able entirely to control their actions. Moreover, the opposition also has frequently used social mobilizations to make their demands. The violent protests in Cochabamba, for example, involved both right-wing groups and left-wing groups who acted independently from the MAS and at times against its wishes (Webber 2008). Opponents of the MAS, as well as supporters of it, also carried out protests—at times violent—in Sucre during the debate over whether to move the capital there. The eastern departments also have seen numerous protests, especially by opponents of the MAS. For example, various groups, including truckers, carried out demonstrations in Santa Cruz in early 2008 over the government's ban on the export of cooking oils and other agricultural products.

Perhaps the most positive democratic development under the Morales administration has been the increase in support for democracy and democratic institutions in Bolivia. Bolivians are now more likely to feel pride or trust in their country's political institutions, they are more likely to express satisfaction with Bolivian democracy, and they are more likely to reject military coups and to prefer democracy to other forms of government. According to the Latinobarómetro surveys, the proportion of people who were satisfied or very satisfied with democracy in Bolivia rose from 24% in 2005 to 41% in 2007 and 50% in 2009 (2005, 2007, 2009). Similarly, surveys carried out by the Latin American Public Opinion Project found that 60.5% of Bolivians reported that they were satisfied or very satisfied with the way that democracy functioned in Bolivia in 2006, up from 49.2% in 2004.[12]

The level of satisfaction with democracy increased by a greater margin among self-identified indigenous people than among whites and mestizos. In 2006, 63% of people who self-identified as indigenous reported being satisfied or very satisfied with democracy, as opposed to 60% of mestizos and 58% of whites. In 2004, by contrast, only 48.9% of indigenous people reported being satisfied with democracy, roughly the same level of satisfaction with democracy expressed by mestizos and whites. The percentage of Bolivians who believe that their country is democratic also rose considerably in the wake of Morales's election. According to LAPOP surveys, 68.5% of Bolivians stated that Bolivia was somewhat or very democratic in 2006, up from 58.7% in 2004. Again, self-identified indigenous people experienced a greater increase than did whites or mestizos in their evaluations of Bolivian democracy.

Although the majority of the population has supported the Morales administration and appears to be pleased with the progress of democracy in Bolivia in recent years, a significant minority has vigorously opposed the regime. Bolivia has thus become increasingly polarized. Polarization has taken place partly along regional lines. The eastern departments, where the opposition to the Morales administration is centered, all voted for autonomy in 2006 and 2008 referenda, and a majority in these departments have typically voted against Morales and the MAS. Some people fear that the eastern departments might even try to secede, leading to a violent confrontation. Indeed, the worst incident of violence in Bolivia to date occurred in the eastern department of Pando where 13 people died in a clash between supporters and opponents of Morales. Nevertheless, secession appears unlikely at present, in part because the military would oppose such a move and the main opposition leaders have rejected the calls for secession by more radical leaders and movements. The MAS, moreover, has numerous supporters in the eastern departments—Morales won 51% of the vote in Tarija, 45% in Pando, 41% in Santa Cruz, and 38% in Beni in the 2009 elections—and this would complicate any efforts by these departments to secede. Nevertheless, regional and political polarization has clearly worsened over time and represents a serious threat to stability.

Explaining the MAS's Policy Choices

What explains the MAS's policy approach? Why has the Morales administration radically shifted the country's international alignments and sought to overhaul the country's political institutions, while showing more moderation with respect to economic and social policy?

The radicalism of the MAS with regard to foreign policy can be explained to a large degree by the party's origins among social movements that had traditionally opposed U.S. policies in Bolivia. Many of the leaders of the MAS, including Evo

Morales, spent years in the coca growers' unions fighting U.S.-led efforts to eradicate the coca plantations that were their livelihood. Other leaders of the MAS came from social movements, such as neighborhood groups and unions, which had protested economic adjustment policies sponsored by the United States. In addition, since 2002, the MAS has experienced an influx of left-wing intellectuals, such as Alvaro García Linera and Antonio Peredo, who have equally critical views of U.S. hegemony. Thus, much of the leadership of the MAS came to power seeking to distance Bolivia from the United States and to adopt a more independent foreign policy.

The origins of the MAS also help to explain the Morales administration's efforts to transform Bolivia's political institutions. The MAS is a new party composed of political outsiders with few links to the political establishment. Thus, it has had little stake in the existing political institutions that it has sought to overhaul. Moreover, many of the social movements that form part of the MAS have traditionally had a hostile attitude toward the Bolivian state, and their members have benefited little from existing state institutions. Indeed, the coca growers' unions have fought, at times violently, against the state. As a result, it is not surprising that the leaders of these movements would want to transform state institutions.

The Morales administration's efforts to overhaul existing political institutions also stem from strategic calculation. Like the governments of Correa in Ecuador and Chávez in Venezuela, the Morales administration has moved to overhaul existing political institutions in order to expand and prolong the party's hold on power. The leaders of the MAS believe that the transformations it intends to carry out will take a long time and will run into significant opposition. Thus, the government has deliberately designed the reforms so as to strengthen the authority of the executive and undermine the opposition.

The absence of radicalism in economic and social policy, meanwhile, is partly a reflection of the ideological climate in the region. The ideational environment in Latin America has shifted considerably in the past couple of decades. The downfall of communist regimes in eastern Europe and the Soviet Union, as well as the economic problems experienced by Cuba, has undermined support for socialism. Although the MAS and other leftist parties have vigorously denounced the market-oriented model that has dominated the region for the past two decades, they have failed to come up with a coherent alternative. Leaders of the MAS have promoted "Andean capitalism" and the idea of "living well," but these are vague and idealistic notions that provide few guidelines for trade or financial policy or for determining the appropriate level of state intervention in the economy. The MAS's failure to completely abandon the market-oriented model may also stem in part from political learning, as Kaufman (chapter 4) suggests. Certainly, the failed policies of the UDP government of the early 1980s led sectors of the Left to embrace market-oriented policies. Although the MAS

has vigorously criticized these market-oriented policies, it has not wanted to return to the failed policies of the past either. Indeed, the MAS's emphasis on fiscal responsibility and its effort to maintain access to foreign markets and attract foreign investment are presumably at least partly due to a desire to avoid a repeat of the disastrous UDP administration.

The MAS's heterodox economic and social policy is also the product of certain constraints, which have hindered its ability to carry out sweeping economic and social reforms but which have not affected foreign policy to the same degree. As Weyland notes in chapter 3, during Morales's first term, he could not simply legislate whatever policies he desired because the MAS did not have a majority of the seats in the Senate, nor did it control two-thirds of the Constituent Assembly. The opposition also used its control of most of the departmental governments, the judiciary, and the state bureaucracy to stymie the government's policy agenda (Kohl and Farthing 2008). As a result, in many instances the government had to implement measures that fell short of its preferred policies.

In addition, the MAS has faced important economic constraints. Bolivia is one of the poorest countries in Latin America, and it continues to depend on foreign countries and institutions for finance as well as export markets. Thus, the Morales administration cannot afford to antagonize foreign investors, creditors, and governments. Although the country's increasingly valuable natural gas reserves have reduced these economic constraints, they have not eliminated them by any means. This dependence on foreign markets and investors became apparent during the negotiations over the nationalization of the gas industry when Bolivia was forced to back down from its original demands in the face of objections from foreign firms and governments (Luoma and Gordon 2006).

Finally, the low technical and administrative capacity of the Bolivian government has made it difficult to carry out sweeping reforms. As Kohl and Farthing note, "Bolivia has a limited stock of trained professionals with the managerial and technical skills necessary for effectively running the country" (2008, 18). Although the MAS has seen an influx of intellectuals in recent years, the party has a shortage of cadres with technical skills, and it continues to be dominated by social movement leaders who typically have little formal education. This has complicated the task of governing. The government's lack of administrative capacity became apparent during the gas reform as the administration committed numerous errors in drafting the reform contracts. Technical problems, particularly the government's lack of data on land ownership, have also bedeviled its agrarian reform project ("El gobierno no tiene datos" 2006). As a result, the MAS has often had to settle for reforms that fall short of what it might have preferred.

These constraints are less imposing with regard to foreign policy and even institu-

tional reforms. Major changes in foreign policy, unlike sweeping social or economic reforms, do not typically require approval of the legislature. Nor do most major foreign policy changes involve significant economic commitments or require significant administrative capacity to implement. Many of the institutional reforms do not require significant economic commitments or administrative capacity to implement either, although political obstacles certainly have impeded their enactment.

Conclusion

The Morales administration has been in power only four years, but it already has made a major mark on Bolivian politics. It has reoriented the country's international alignments, rewritten the constitution, increased state control of the natural resources sector, and created some important new social programs. Nevertheless, these measures have not gone far enough for some of the MAS's supporters on the Left, many of whom have called for more radical social and economic reforms.

It seems unlikely that the Morales administration will radicalize its economic and social policies in its second term, however. Although the MAS's overwhelming victory in the 2009 elections has removed some of the political constraints that formerly bound it, the administration continues to face significant financial, bureaucratic, and technological obstacles to carrying out sweeping economic and social reforms. Moreover, there are numerous indications that the administration is well aware of the dangers of unrestrained spending and the importance of foreign trade and investment to the Bolivian economy.

What seems more likely is that the Morales administration will continue to chip away at the institutions of horizontal accountability in order to consolidate its hold on power. Although Bolivia under Morales certainly has made progress in terms of boosting popular support for democracy and democratic institutions, it has undermined those same institutions by compromising their political independence. And while the Morales administration has increased popular participation and incorporated marginalized sectors, such as the indigenous population, this has come at the cost of greater political and regional polarization. The Left in Bolivia has shown that it is capable of generating economic growth and stability at least in the short term, but it has yet to show that it can bring about political stability or systematically strengthen Bolivian democracy.

NOTES

1. The MAS's initial rise was facilitated by the 1998–2002 economic downturn in Bolivia, but by the time the MAS took office in early 2006, the Bolivian economy had recovered. Bolivia registered economic growth of approximately 4% in 2004 and 2005.

2. The MAS's leaders made a decision early on not to convert it into a full-fledged party because of the negative attributes they associate with parties. These leaders typically refer to it as a political instrument rather than a party.

3. The ability of the social movements to exercise policy influence is limited somewhat by their lack of trained professionals. Relatively few of Morales's ministers and top policymakers have come from the social movements, and those who have been movement leaders have typically not lasted long in their positions, owing in part to their lack of training.

4. Antonio Peredo, interview by author, La Paz, July 22, 2004.

5. For a more detailed analysis of the MAS's rise, see Madrid 2008.

6. By contrast, the MAS won the support of less than half of the people who self-identified as centrist and approximately one-third of the people who classified themselves as on the Right. A significant percentage of the interviewees (24.5%) in this survey did not know how to place themselves on the left-right ideological continuum or did not respond.

7. To the surprise of many, the Morales administration also has improved relations with Bolivia's traditional nemesis Chile.

8. For example, in August 2008 Morales stated that a nongovernmental survey had found that most Bolivians wanted socialism and that "if the people ask us for socialism, we are going to deepen socialism" in the country. See "Morales anuncia" 2008.

9. Reyes Villa ended up being Morales's principal opponent in the 2009 presidential elections, and he chose Fernández as his running mate.

10. Morales seemed to back away from this commitment in statements he made after his victory in the 2009 presidential elections.

11. The Morales administration lowered the voting age, for example, and put pressure on the National Electoral Court to remove barriers to voter registration and to open more voting centers in rural areas.

12. The data presented here represent the author's own analyses of LAPOP survey data.

CHAPTER ELEVEN

Ecuador

Rafael Correa and the Citizens' Revolution

CATHERINE M. CONAGHAN

As Ecuador prepared for a presidential inauguration in January 2007, signs of the country's left turn were unmistakable. On the day before Rafael Correa swore in as president, he traveled to the provincial town of Zumbahua. Flanked by Hugo Chávez and Evo Morales, Correa donned a colorful poncho for a ritual blessing by indigenous elders. The festive occasion called for speeches. Invoking Simon Bolívar and Ernesto Che Guevara, Correa celebrated his election in late 2006: "What happened on November 26 was not just another election, but a true historical change, a new history has begun, a new homeland has begun."[1]

Talk quickly turned into action. Within hours of the inauguration, Correa signed a controversial executive decree that mandated a nationwide vote on convoking a constituent assembly to write a new constitution. Undeterred by opponents, Correa acted with dizzying speed to advance his promised Revolución Ciudadana (Citizens' Revolution). Popular new spending measures went hand-in-hand with his ambitious plan for a complete constitutional makeover.

Correa's provocative blend of style and substance yielded dramatic results. In his first term as president, Correa neutralized political opponents, rendered extant institutions irrelevant, ushered in a new constitutional order, and entrenched himself as the unquestioned leader of Ecuador's most important political force. He did so with widespread public support, reflected in polls and votes.

Ecuador's left turn under the leadership of Rafael Correa was, in some ways, an unlikely development. As Levitsky and Roberts establish in the introduction, Latin America's structural conditions—namely, persistent poverty and inequality—create a ready-made constituency for the Left's redistributive agenda. But, as our editors also observe, the same structural conditions can be a hotbed for charismatic leaders and their top-down populist projects; leaders mobilize the poor for elections, but the promises of reform are often forgotten. Indeed, Ecuador's history is a case study in the

disappointments of populism. Conservative populism frequently eclipsed the organized Left thanks to fiery personalities that included five-time president José María Velasco Ibarra, the flamboyant Abdalá Bucaram, and businessman turned political boss León Febres Cordero. Elected as president in 2002 and initially regarded as a leftist leader, Lucio Gutiérrez followed the familiar script and morphed into a conservative neopopulist.

When the political unknown Rafael Correa launched his presidential candidacy in 2006, the prospects for a leftist victory in Ecuador were uncertain. The political environment in the Andean region was mixed terrain. Chávez and Morales had conservative counterparts in the neighborhood. In Peru, Alan García, campaigning as an older and wiser statesman, defeated Chávez ally Ollanta Humala (see chapter 16). In Colombia, voters overwhelmingly ratified the conservative stewardship of President Álvaro Uribe, handing him an easy reelection in 2006.

So how did Rafael Correa make his way to the presidency, and what are the policy contours of the Citizens' Revolution? Unlike election outcomes in Brazil, Chile, and Uruguay, Correa's victory was not the product of a slow, concerted march to power led by an institutionalized partisan Left. Nor did Ecuador's experience mimic Bolivia's social struggles and political organizing by a movement Left that brought Evo Morales and the Movimiento al Socialismo (MAS) to power. Correa, like Hugo Chávez, took an improvised path to the presidency, combining leftist ideas and populist appeals with an organizational vehicle created expressly for the purpose of launching his candidacy. Like Chávez's, Correa's rapid ascent took place in the political vacuum created by Ecuador's crumbling party system.

Nonetheless, while the collapsing party system and economic woes certainly opened up the opportunity for a victory by a leftist candidate, these factors alone do not provide an adequate explanation of exactly why and how a relatively obscure economist became the standard-bearer of Ecuador's left turn. Nor did underlying structural factors guarantee that Correa's leftist promises would turn into sustained public policies, as the previous administration of Lucio Gutiérrez so vividly demonstrated. Just as Hugo Chávez's astonishing career serves as a dramatic reminder that leadership matters, Rafael Correa's come-from-behind triumph in 2006 and his subsequent electoral victories as president demand that we take agency seriously as we reconstruct the history of Latin America's left turn: our narratives would be woefully incomplete without an appreciation of how individual leaders conceptualize their projects, seize the particular opportunities opened up by structural conditions, and make critical choices in the course of governing.

As I will argue, Correa's 2006 election win was not an inevitable outcome predetermined by structural variables. The victory was, to a great extent, the manifestation of

a simple truth corroborated in a growing body of political science research on the subject: campaigns matter (Brady and Johnston 2006; Farrell and Schmidt-Beck 2002). Competing in a crowded field of presidential hopefuls that included other leftist and populist candidates, Correa mounted an effective communications strategy and deft campaign organization. While his message to voters was by no means original, he offered a clear and compelling synthesis of ideas and emotions. Out on the stump, Correa seemed to channel Ecuador's past and present in his dueling personas. On one hand, he was the fire-breathing, oligarch-denouncing populist of old, evoking comparisons to Velasco Ibarra and Bucaram. On the other, he was the unmistakable candidate of modernity: the hip new guy on YouTube and the über-technocrat with Power Point slides.

Examining Correa's underlying message and strategy and the execution of his 2006 campaign is not just essential for understanding why he won; it is equally important for understanding how he has governed and legitimated his policies. As president, Correa borrowed heavily from his 2006 campaign playbook to win serial elections and referenda; these victories at the ballot box laid the legal and political foundations for his transformative project. But before examining how governance and public policy are configured in the Citizens' Revolution, let's begin by considering why and how Rafael Correa was able to win over a dispirited electorate.

Decade of Disappointment, 1996–2006

In retrospect, Ecuador's 2006 national election clearly stands as a critical juncture. It was the endpoint of a long decade marked by chronic corruption, economic woes, and popular protests that triggered the forced resignations of presidents—the syndrome of "presidencies interrupted" (Valenzuela 2004). Public anger was not confined to presidents, however. Ecuadorians also despised the mean-spirited partisan combat and corruption found in the Congress and the judiciary. As the country lurched from one scandal to another and wrestled with a profound economic crisis in 1999, government as whole was enveloped in a crisis of legitimacy. In three successive democracy audits conducted in 2001, 2004 and 2006, Ecuadorians expressed extremely low levels of confidence in the "central nucleus" of the political system—the national government, Congress, and political parties (Seligson 2006, 67–69).

The political disaffection was understandable: Ecuadorians were spectators of dizzying scenes of criminality and incompetence in every branch of government. The cycle began with the flight of Vice President Alberto Dahik, who escaped the country in 1996 to avoid prosecution on corruption charges. Public indignation over corruption allegations reached fever pitch during the subsequent presidency of Ab-

dalá Bucaram (1996–97). Bucaram appointed his family members and cronies to high-ranking jobs. Adding fuel to the fire was Bucaram's controversial personal behavior—everything from the launch of his bizarre singing career to his trash-talking manner. Public outrage toward Bucaram gave birth to a new mode of doing politics, *el pueblazo:* massive street demonstrations in the city of Quito organized around the demand for the president's resignation (Pallares 2006). While the military stood by, thousands of demonstrators forced Bucaram to flee the presidential palace. Congress provided the legal justification for his removal from office on the grounds of "mental incapacity."

Bucaram's exit did not stop the corruption. Taking office in 1998, President Jamil Mahuad pledged to tackle the problem. But like his predecessors, Mahuad ended his presidency mired in corruption charges. As Ecuador suffered through the worst economic crisis in its history, Mahuad was accused of bailing out bankers who had been campaign donors. His presidency ended in another *pueblazo* in January 2000; protestors from Ecuador's largest indigenous organization, Confederación de Nacionalidades Indígenas del Ecuador (CONAIE), joined with dissident military officers led by Colonel Lucio Gutiérrez. They stormed the Congress and the presidential palace. The coup instigators failed in their attempt to set up a new government, but Mahuad was forced to resign.

Lucio Gutiérrez, the colonel and former coup plotter elected as president in 2002, became the third chief executive to fall victim to the country's street politics. Facing mounting opposition in Congress and fearing a possible impeachment, Gutiérrez cut a controversial deal with pro-Bucaram legislators to stack the Supreme Court with new appointees, a move ensuring that criminal indictments against Bucaram would be dropped, allowing him to return from exile in Panama. Once again, protestors prevailed. Proudly declaring themselves *forajidos* (outlaws), thousands of demonstrators took to the streets to demand Gutiérrez's resignation.[2] After the president fled the palace, Congress declared the presidency "vacant" and swore in Vice President Alfredo Palacio.

Corruption was not the only problem angering Ecuadorians. Management of the economy was a major sore spot. Compared to other countries in the region, Ecuador was among the "shallow reformers" with regard to the implementation of Washington Consensus policies (Corrales 2003, 90–91). Nonetheless, episodic attempts at neoliberal reform, whether failed or successful, played a role in stoking opposition to presidents. Mahuad's administration caused the greatest trauma. When Mahuad announced plans to adopt the U.S. dollar as Ecuador's national currency in January 2000, it was the straw that broke the camel's back, triggering the protests that drove him from office. Less than a year earlier, Mahuad had enacted highly unpopular

measures to stave off a collapse of the banking sector, which included an across-the-board freeze on withdrawing deposits. From the vantage point of ordinary citizens, Mahuad's economic measures looked like a generous bailout of predatory financiers.

While the 2005 *pueblazo* was driven primarily by outrage over the Supreme Court mess and Bucaram, President Gutiérrez's plummeting popularity was also owed to his unexpected embrace of neoliberalism and the ever-present accusations of corruption. After allying with CONAIE and the indigenous-backed Pachakutik party to win the presidency in 2002, Gutiérrez parted ways with leftist supporters on economic policy, veering into an uneasy alliance with the rightist Partido Social Cristiano (PSC). Like Bucaram, the Gutiérrez administration was dogged by accusations of nepotism and claims that it was using the public administration as a clientele-building base for its party, the Partido Sociedad Patriótico (PSP). Rallying against Gutiérrez in April 2005, Quito demonstrators marched with rolls of toilet paper to highlight their disgust with "dirty politics" and took up the chant "¡Que se vayan todos!" (Throw them all out!) (Ramírez Gallegos 2005).

As the vice president turned president, Alfredo Palacio was eager to ally himself with Quito's angry *forajidos* and quickly championed the cause of constitutional reform. Quelling political crisis through constitutional reform has a long history in Ecuador. From 1830 to 2005, Ecuador had been governed under 19 different constitutions, many of them written by constituent assemblies. After Bucaram's fall in 1997, public pressures to clean up government yielded a constituent assembly and a new constitution in 1998. Nonetheless, the 1998 constitution proved to be a disappointment, especially for those on the Left. While CONAIE and Pachakutik succeeded in entrenching new rights for indigenous peoples in the new constitution, the new document fell far short of the Left's demands for sweeping economic reform, thanks to the center-right majority that controlled the assembly (Andolina 2003).

The *forajidos* had clamored for an across-the-board purge of the political establishment, but the constitutional succession and the partisan balance of power inside Congress kept institutions intact. Palacio's efforts to kick-start a process of constitutional reform went nowhere as parties and leaders turned their attention to upcoming elections.

Candidate Correa: The Message

Gutiérrez's ouster set the stage for Rafael Correa's rapid ascent in national politics. Raised in a family of modest means in Guayaquil, Correa won scholarships to study in Belgium and the United States. After earning a doctorate in economics from the University of Illinois at Champaign-Urbana, Correa returned home. He worked as an academic and a consultant and became head of his department at the Universidad

San Francisco de Quito. In academic circles, Correa was known as an adamant critic of neoliberalism, voicing his views on talk radio. Unaffiliated with any political party, the fiercely Roman Catholic Correa identified his ideological leaning as that of a "humanist Christian of the Left" and an anti-Gutiérrez *forajido.*

Despite having no previous experience in government, Correa was tapped by President Palacio as the new minister of economy in April 2005. Correa's tenure as minister lasted little more than 100 days, but it was crucial for launching his political career. The photogenic and loquacious young minister captured news headlines with his tough postures toward the International Monetary Fund and virulent opposition to a free trade agreement with the United States. On his final day as minister in August 2005, supporters assembled to greet him with shouts of "¡Correa, Presidente!"

What was Correa's essential message in the 2006 campaign? Couched in fiery rhetoric, it focused on two overarching, interrelated themes: (1) the degeneration of state institutions and the moral bankruptcy of the political class and (2) the disintegration of the nation/homeland (*patria*) as a result of elite-imposed economic policies that sacrificed the public interest in favor of private gain. In Correa's imagery, Ecuador was a country "kidnapped," a nation held hostage by political and economic elites who behaved in unethical, and more often than not criminal, ways.

In Correa's rendition of recent history, the state was an edifice of domination controlled by the traditional parties, the *partidocracia* (the "partyarchy"). These parties were responsible for degrading government institutions, thus stripping them of any real legitimacy. Moreover, Correa railed against the "corporatist" organization of the state that ceded influence to interest groups (business, labor, and other organizations) in regulatory bodies and government agencies.

Correa's critique bridged politics, economics, and the sociology of a rapidly changing society. Certainly, none of these ideas were new; they were part and parcel of the anti-establishment discourse long circulating on the Left. As an economist, Correa had written on the ills of neoliberalism, arguing that policies that deregulated labor and financial markets harmed productivity and failed to produce sustained economic growth (2002). As a candidate, Correa lashed out at everything that evoked any continuation of Ecuador's history of economic dependence and subordination to outsiders. He pilloried Ecuador's political elites and technocrats for acceding to the "pseudo-economics" of the Washington Consensus and pledged to consign the idea of a free trade agreement with the United States to the "trash bin of history." In Correa's litany of erroneous economic policies, President Jamil Mahuad's decisions were deemed especially destructive and responsible for forcing at least 2 million Ecuadorians to seek employment abroad. Correa turned Ecuador's economic diaspora into a central campaign issue. Drawing on the experiences of his dislocated family, Correa spoke movingly about the plight of Ecuadorian migrants in foreign lands.

Permeating Correa's rhetoric was the recurrent, melancholic theme of loss: the country's loss of sovereignty, national symbols, dignity, and the millions of Ecuadorians so far from home. Correa laid blame for these humiliating losses squarely on the shoulders of the country's elite. He blasted the political and business establishment as *mafiosos* (gangsters), *pelucones* (reactionary bigwigs), and *lobos* (wolves).

Along with denunciations Correa offered voters uplifting promises of recovery and rejuvenation. Patriotism was a key element in the potent mix of ideas. Borrowing a phrase from intellectual Benjamín Carrión, Correa coined a slogan that spoke to a mix of sadness and hope: La Patria Vuelve (The Homeland Returns). The word *patria* became synonymous with the Correa campaign. It figured into the name of Correa's political organization, Movimiento Patria Altiva y Soberana (PAIS). Insistent on his own moral superiority and that of his followers, Correa frequently referred to his movement as one of "manos limpias, mentes lúcidas, y corazones ardientes por la patria" ("clean hands, lucid minds, and hearts passionate for the homeland").

Proposing a radical rupture with politics-as-usual, Correa made two important decisions that shaped his campaign and presidency. First, he vowed that he would do everything possible, regardless of institutional or legal obstacles, to convoke a constituent assembly to write a new constitution. The constitution would be the springboard for building an entirely new state.

Second, after failing to strike alliances with established parties on the Left, Correa decided to run for the presidency without presenting a slate of his own congressional candidates.[3] That move guaranteed that he would become a president without a progovernment majority in Congress and that he would immediately face the risk of a showdown with Congress and perhaps even impeachment. It was a bold move; it unequivocally identified Correa with the electorate's antipolitical mood and tied the fate of his presidency to the push for a constituent assembly.

Taking on the Establishment

Inexperienced in electoral politics, Rafael Correa turned to an eclectic but decidedly leftist circle of advisers. The group included Ricardo Patiño, a Guayaquil economist and former socialist party activist. He was also the founder of Jubileo 2000, a Roman Catholic–inspired nongovernmental organization that challenged conventional thinking on international debt repayment. Alberto Acosta, an academic and vocal leftist known for his columns in the newspaper *Hoy,* joined, along with Gustavo Larrea, a human rights activist and former minister in the government of Abdalá Bucaram. Fander Falconi, a young European-trained economist, was another key figure. The idea for the Correa candidacy was said to have been launched at a meeting of advisers at Acosta's home.[4] Unlike Evo Morales, whose political career and MAS party

began in the grassroots struggle over coca eradication policies, the Correa project was hatched inside the heads of a small group of intellectuals, technocrats, and political operatives. PAIS leaders set their sights on patching together the disparate groups on the Left, including the forces involved in the April 2005 *forajido* movement. By mid-2006, PAIS declared itself an "alliance," counting more than 100 affiliates that included small political movements along with "independent" professional and civil society associations.[5]

Although Correa was successful in attracting support from many of the smaller groups, the prospect of constructing a broad left front faded quickly when traditional leftist parties and unions backed off. Ecuador's newest and most successful leftist party, the indigenous-backed Pachakutik, declined to endorse him. Still reeling from its disastrous alliance with Lucio Gutiérrez in 2002, Pachakutik was wary of making another deal with an outsider candidate. After some internal infighting on whether to support Correa, Pachakutik struck out on its own and launched its first-ever presidential candidate, Luis Macas, one of the founding leaders of CONAIE.

By the time the official campaign season got under way in August 2006, Correa faced a crowded field of competitors. Thirteen presidential candidates were on the ballot for the first round of presidential election in October; it was the largest number of presidential candidates on a ballot since Ecuador's transition to democracy in 1979. As stipulated in Ecuador's election law, a candidate could win the election on the first round of balloting in two ways: (1) by garnering more than 50% plus one of the valid vote or (2) by winning 40% of the vote by a margin of 10 points over the second-place candidate. Since the 1979 transition, no candidate had ever won in the first round.

Leading in all the early polling was the political veteran on the Center-Left, León Roldós, backed by his own organization, Red Ética y Democrática (RED), and the social democratic Izquierda Democrática (ID). Roldós had run for the presidency in 2002 on the Partido Socialista (PS) ticket and was known to voters as the brother of the revered deceased president Jaime Roldós. On the Right, the divided and debilitated PSC opted to field the race's only female candidate, the former congresswoman and television personality Cynthia Viteri.

True to form, populist forces were the wild card in the election. The once powerful Partido Roldosista Ecuatoriana (PRE) was a shadow of its former self; Abdalá Bucaram lingered in Panamanian exile once again. Former president Lucio Gutiérrez, barred from the ballot by the electoral tribunal, negotiated with billionaire businessman Alvaro Noboa on the possibility of striking an alliance between his PSP and Noboa's Partido Renovador Institucional Acción Nacional (PRIAN). But negotiations collapsed, leaving Gilmar Gutiérrez, the brother of the barred president, to take over as the PSP's presidential standard-bearer. Meanwhile, Noboa launched his third

consecutive bid for the presidency. With unlimited funds at his disposal, Noboa was a serious contender.

Ecuadorians knew from experience that the results of the first round were far from predictable. Given the dispersion of the vote across many candidates, small margins could separate the winners and losers. Moreover, Ecuadorian voters were among the most volatile in Latin America, disposed to change voting preferences from one election to the next (Mainwaring 2006; Pachano 2007, 141). Since the late 1990s, parties representing the Center-Left and the Right had steadily lost favor in relation to the new populist candidates, Noboa and Guitiérrez.

With established parties fading and populist forces divided, Correa had reason to believe that anything was possible. He boldly proposed that voters hand him the presidency in the first round, "una sola vuelta"—an exhortation that was put to music (to the tune from the Twisted Sister song "We're Not Gonna Take It") and played at every Correa rally.

Round One: Marketing Correa

In late August 2006, public opinion polls reflected the unsettled state of the race. While nearly every poll identified Roldós as the leading candidate, with support ranging from 22% to 26% of the vote, the race for second place was wide open. After languishing in the single digits for most of 2006, Correa pulled into the teens with percentages equal to or even slightly better than those of Noboa and Viteri. But undecided voters complicated all calculations. One high-profile poll put the percentage of undecided voters at a whopping 65%.[6]

As a first-time presidential candidate, Correa was still relatively unknown, even after his stint as minister of economy. In mid-2006, internal polling by the Correa campaign showed that at least 50% of respondents had never heard of the candidate.[7] The task of turning Rafael Correa into a household name fell to media guru Vinicio Alvarado, an experienced advertising executive who took the helm as campaign director.

Alvarado designed an aggressive media strategy to turn Correa into the premier anti-establishment candidate. Correa's television spots were witty and bold. One ad parodied the political establishment, depicting a pair of congressmen as a clown and a comic-book figure and ending with a simple message emblazoned across the screen, "Ya Basta" ("Enough's enough"). "Ya Basta" became a standard in ads, along with an animated cartoon of a snapping belt. The reference to the belt was a double entendre—*correa* is the word for belt in Spanish. Alvarado recognized the potential in the word play of "*correa*/Correa" early on in the campaign, eventually morphing

it into the slogan "Dale Correa" (Hit 'em Correa). Brandishing a belt at campaign rallies, Correa pledged to smack down the country's corrupt elite.

Alvarado's effective television campaign was paired with a systematic use of radio and the Internet. At the helm of Correa's radio operation was Emilio Espinoza, a veteran radio producer from Guayaquil who had worked previously with Abdalá Bucaram. According to Espinoza, Correa was keenly aware of the powerful impact of radio, especially in the provinces. In addition to radio advertising, the campaign organized a large network of local radio stations in support of Correa. At the same time, the Correa campaign pioneered the use of the Internet; Correa's Web site, colorful and content-laden, offered downloads of popular campaign songs and videos.

As a candidate, Correa provided his strategists with all the raw materials for an attention-grabbing campaign: he was young, good-looking, and indefatigable. In the tradition of Ecuadorian electioneering, he crisscrossed the country in a motorized caravan. Without the baggage of campaigning for congressional candidates, Correa was the singular star of his road show. At rallies, he performed like a rock star. In the denim jacket and jeans carefully selected by his wardrobe consultant, Correa played guitar and lip-synched alongside musicians as adoring young supporters surrounded the stage: a phenom was born.

Round Two: Populism Redux

Although polls had shown support for Correa reaching as high as 38%, the first round served up disappointing results. After so much hoopla about securing a first-round victory, the Correa campaign found itself in the embarrassing position of placing second to Alvaro Noboa. Noboa had garnered 26.83% of the vote to Correa's 22.84%.

Noboa's first-place finish came from voters in the heavily populated coastal provinces of Guayas, Esmeraldas, and Manabí, along with the northern province of Carchi. These were the same areas in which he had done well in the 2002 election. Adding to Noboa's personal victory was the solid performance of his PRIAN congressional list. With 28 seats, PRIAN would have the single largest caucus in the new congress.

Losing the coast to Noboa, Correa was bested in 12 other provinces by Gilmar Gutiérrez, the PSP candidate and brother of the ousted president. Gutiérrez placed third in the race with 17.42% of the vote. Gutiérrez came in first in the six less-populated eastern Amazonian provinces and also picked up wins in six other provinces. PSP also performed well in the congressional race, winning 23 seats. The remaining presidential contenders were bashed; Roldós won just 15% of the vote while Pachakutik's Luis Macas registered a mere 2.2%.

Correa secured second place by winning pluralities in just five interior provinces

and the Galapagos Islands. The outcome called for a major recalibration in his campaign. Winning the second round required reaching out to voters in the provinces that had responded positively to the populist appeals of the Gutiérrez brothers and Noboa. As campaign director Vinicio Alvarado later observed, there was little alternative but to shift emphasis. Correa had to go door-to-door with a grassroots campaign and outbid Noboa on bread-and-butter issues.[8] Rather than focus predominantly on the offer of a new constitution, the Correa campaign revved up its own populist appeals in the form of a three-pronged program offering development, jobs, and housing. The development program promised to increase social assistance payments to poor households from $15 to $30 per month. The work program was designed to extend microcredits of up to $5,000 to small businesses. The housing program pledged to increase credit allotted to consumers for housing construction from $1,800 to $3,600. Correa invited voters to enroll in the programs by signing up as a plan member at local PAIS headquarters. By the end of the campaign, an estimated 2 million people had submitted applications.

Correa's programs mirrored the pledges pouring forth from the Noboa campaign. Noboa offered to build a total of 300,000 new low-income homes annually, hike welfare assistance programs, and extend microcredit loans to small businesses. Noboa's appeals were part of marketing the billionaire as the "can do" candidate—a man of action. His campaigning always included conspicuous demonstrations of generosity, with handouts to supporters and medical services proffered by his private charitable foundation, the Fundación Nueva Cruzada Humanidad. Noboa gave away wheelchairs to the disabled and computers to local schools. Sometimes the candidate simply peeled off dollar bills, handing them out to delighted supporters. Taking the stage at a rally, Noboa emoted like an evangelical minister. With Bible in hand, Noboa would fall to his knees, telling supporters that he was "God's hero" on a mission to save his country from Correa, the Communist comrade of Hugo Chávez. The theatrics provided ample fodder for Correa, who denounced Noboa's handouts as a cynical affront to the dignity of the poor.

Not surprisingly, Correa received second-round endorsements from center and left parties that had lost in the first round, including Pachakutik. Yet, the endorsements came with little fanfare; there was no talk of formalizing a grand leftist alliance and there were no promises of places in the administration for newfound allies. Overall, the Left and the Center-Left fared poorly in the congressional race; its combined forces were insufficient to form a pro-Correa majority. Noboa found few official allies in the second round. Abdalá Bucaram's PRE, greatly diminished in its electoral clout, formally backed Noboa, but some of its leaders already had drifted away to join Correa. Gutierrez's PSP refrained from backing any candidate, as did the rightist PSC.

This left many local political bosses open to freelance, and important ones opted for Correa.

As the November 26 runoff election approached, the outcome remained uncertain. Pollsters differed significantly in their findings on who was ahead and by what margin.

Securing Presidential Power: The Constitution

Correa won a substantial victory in the runoff on November 26, 2006, taking 57% of the vote to Noboa's 41% share. Correa swept in the provinces won by Gutierrez's PSP in the first round. Noboa's support was confined to his strongholds in the coastal provinces.

Taking office in January 2007 with a 73% approval rating, Correa quickly pushed ahead with his plan to produce a new constitution, despite the fact that the opposition-controlled Congress threatened legal challenges to his proposed referendum to authorize a constituent assembly. In a country with a track record of forcing presidents out of power, Correa assumed office with a keen sense of the confrontations that his political project would entail; "We won elections, but not power," he observed. In his view, the struggle for a new constitution was the "mother of all battles," a fight to change "the correlation of forces." That meant taking on opponents from all quarters: parties, the business establishment, the media, and even allies on the Left if they opposed his vision of change. Correa's survival in office and the viability of his political project depended upon enhancing and extending presidential power at every turn.

Correa set his sights first on congressional opponents. By constantly appealing to public opinion and exerting extraordinary pressures on the national electoral tribunal to approve a referendum on a constituent assembly, the Correa administration was able to set in motion a convoluted confrontation between congressional opponents and the electoral tribunal that ultimately imploded all institutional sources of resistance to a new constitution. Congressional opponents of the referendum found themselves stripped of their seats by the electoral tribunal on the grounds of "election obstruction" and replaced by pliable substitute legislators. With the newly configured progovernment majority in Congress, the constitutional tribunal became the next target. When the constitutional tribunal judges ruled against the unprecedented removal of the dissident legislators by the electoral tribunal, the progovernment congressional majority replied by sacking them.

With all legal obstacles out of the way and key institutions under control, Correa sailed to victory in the April 2007 referendum as 82% of the electorate voted in favor

of holding elections for a new constituent assembly. Winning a solid majority in the constituent assembly was an absolute necessity for Correa. He had insisted that the assembly be endowed with "full powers" vis-à-vis all existing institutions, including the presidency. If Noboa's PRIAN or Gutiérrez's PSP was able to control the assembly, Correa would likely face impeachment. But the results of the September 2007 constituent assembly election quashed that scenario. Correa marched to yet another decisive victory, as his PAIS movement elected representatives to 80 of the 130 seats in the new assembly. With the PAIS majority in complete control, the first action of the assembly was to ratify Correa as president and officially "suspend" the sitting Congress from its duties.

Throughout the course of the assembly's deliberations, from November 2007 to July 2008, Correa and the PAIS "politburo," a small clique of advisers close to the president, played an active role in shaping the new constitution. Among the consultants hired to provide legal counsel was Roberto Viciano, the Spanish law professor who helped design the new constitutions in Venezuela and Bolivia.

Not surprisingly, the institutional design of the new constitution strengthened the executive branch. It provided the president with various pathways to manage Ecuador's chronic problem of executive-legislative stalemate. For example, the president can convoke referenda on virtually any issue, thus trumping legislative opponents. Another weapon in the president's arsenal is the power to dissolve the legislature and call new elections once during his term in office. The constitution also stripped the legislative assembly of powers with respect to appointments in the judicial and executive branch, turning them over to the newly created "fifth power" of the state, the Transparency and Social Control (TSC) branch. While autonomous in theory, the TSC is subject to elaborate procedures requiring the participation of representatives from various government entities; this gives the president significant influence in the TSC branch. In the cases of the attorney general's office and regulatory agencies (*superintendencias*), the TSC selects officials from the short lists designated by the president.

The capstone of presidential power in the new constitution is the provision allowing the president to run for an additional consecutive term of four years; this reversed Ecuador's previous practice of banning immediate presidential reelection. Given Correa's popularity and the fragmented, uninspired state of the opposition, there was little doubt that he would cruise to victory in the next presidential reelection under the new constitution, tacking at least one new four-year term onto his first two years in office and looking ahead to the prospect of yet another term after that. In short, the new constitution opened the door to a Correa presidency that could last until 2017.

In September 2008, a referendum on the new constitution produced another

government victory, with 64% of voters approving the document. Jaime Nebot, the conservative mayor of Guayaquil and the leading critic of the government, eked out a slim majority to defeat the constitution in his city, but overall the opposition garnered just 28% of the vote nationwide.

With a new institutional design in place, national elections were called for April 2009. But, in contrast to 2006, there was little suspense. Nebot declined to run, so Correa's principal competitors were familiar faces: Lucio Gutiérrez and Alvaro Noboa. While Gutiérrez improved considerably on the PSP's 2006 performance by collecting 28% of the vote, his base of support continued to be concentrated in the sparsely populated Amazon region and parts of the central highlands. Noboa turned in the worst performance of his career, capturing just 11% of the vote. Correa's victory was national in scope, with majorities in 17 of Ecuador's 24 provinces, including the heavily populated Guayas, Pichincha, and Azuay. By winning 52% of the overall vote, Correa avoided a second-round runoff (Bowen 2010, 187). His PAIS fell somewhat short of an outright legislative majority, winning 59 of 124 seats in the national assembly. To date, however, the government has maintained control of the legislative agenda, thanks to the cooperation of legislators from minor parties, including PRE. Guitiérrez's PSP is the largest opposition bloc, with 19 legislators.

Power Deployed: Recalibrating State-Society Relations

Maintaining the president's commanding hold over public opinion with an aggressive "permanent campaign" was key to the strategy of advancing the Citizens' Revolution through serial elections (Conaghan and de la Torre 2008). As the new secretary of public administration, Vinicio Alvarado, the public relations architect of the campaign, set up the communications operations in the presidential palace and became the overseer of an ambitious and integrated set of media policies aimed at keeping the president popular. For the most part, Alvarado was successful. Entering office with an extraordinary 73% approval rating in 2007, Correa consistently maintained approval rates above the 50% mark through the April 2009 reelection (Cedatos 2010, 8).

In his first month in office, Correa kicked off a weekly Saturday morning radio (later expanding into television) show in the style of Hugo Chávez's *Aló Presidente.* Correa uses the two-hour show, aired by more than 100 stations, to highlight his accomplishments and lambaste opponents. Government advertising also figured heavily in Alvarado's multifaceted media strategy. Commercials with "feel good" messages promoted the government's ubiquitous slogan "La Patria Ya es de Todos" (Now the Homeland Belongs to Everyone). Along with incessant advertising, the government made regular use of the free air time that television stations are legally obliged to provide for presidential speeches and progovernment programming.

Under Alvarado's watch, the state's communications infrastructure steadily expanded. In 2008 the government's Internet operations launched the electronic newspaper *El Ciudadano.* Other important additions to the government's media infrastructure came with the launching of a new publicly owned television network funded by a loan from Venezuela, TV Ecuador, and the restoration of the defunct state radio network. Bankruptcies and government foreclosures on other indebted media outlets led to the acquisition of the Guayaquil newspaper *El Telégrafo* and state oversight of two television stations.

State-controlled media operations gave the president multiple ways to communicate directly with the public, unfiltered by the media establishment. While Correa had enjoyed largely positive coverage by the privately owned media as a candidate in 2006, his relationship with the press quickly deteriorated when journalists began criticizing his domineering style as president. Referring to journalists as "savage beasts" and "mafiosi," Correa accused them of being mouthpieces of the oligarchy whenever they questioned his policies. Correa's tirades and intermittent attempts to regulate press coverage led to deterioration in press freedom as measured by Freedom House (2009a).

Correa's approach to state-society relations was not confined to media-bashing and trash-talking his opponents. Unlike Evo Morales, who built a political career on the basis of grassroots struggle, Correa regarded Ecuador's turbulent and intrusive civil society as an obstacle, not a building block, for his revolution. He took a dim view of all organized interests, regardless of class, identity, or ideological leanings. Business organizations, labor unions, the indigenous and environmental movements, all were dismissed as privileged interlocutors representing special interests, while his elected government was deemed the only legitimate guardian of the "national" interest. "Decorporatizing" policymaking was viewed as essential to the project of constructing a strong, autonomous state and a muscular executive branch. To this end, the Correa administration took actions to eliminate or significantly eclipse the influence of interest groups. In some cases, this involved reasserting central government control over public entities that had been controlled by interest groups or rejigging the composition of their boards to ensure a majority for government officials (Ospina Peralta 2009).

In addition to altering the distribution of power inside public institutions, the government stood firm in the face of interest group mobilization, refusing to negotiate when strikers and demonstrators took to the streets. CONAIE, the umbrella organization of indigenous federations, and the leftist-controlled National Teachers Union (UNE), lost significant ground in their struggle to retain policymaking influence and "veto" powers in their respective domains. When CONAIE staged protests against a new water law in 2010, Correa responded by asserting the primacy

of government, empowered by elections, over the claims of interest groups: "The indigenous sector does not understand that there's a government and president in this country. . . . What election did CONAIE win that it gets to manage water?"[9]

Correa's stiff resistance to what he often refers to as the "infantile left" (encompassing indigenous, environmental, and gender rights groups) reveals an important tension in the Citizens' Revolution. Correa led the country to embrace a constitution enshrining citizen participation and multitudinous rights for every imaginable group in society. Nonetheless, in the course of policy conflicts, the government has balked when groups demand active participation. Through its Secretaria de Pueblos, Movimientos Sociales y Participación Ciudadana, the government opted for a top-down approach aimed at co-opting grassroots organizations and marginalizing those that dared to defy the president's agenda. Alberto Acosta, one of the original architects of PAIS, openly broke ranks with Correa over the absence of "citizens" in the revolution when the president insisted on abbreviating consultations with social movements during the drafting of the new constitution.

Revolution Unleashed: The Policy Configuration

Correa won the presidency on the promise of ending "the long and sad night of neoliberalism." While poetic, Correa's evocative reference to Ecuador's experience was somewhat misleading. In comparison with other countries in the region, the neoliberal policies championed by previous presidents were uneven in application and often abandoned in the face of public opposition. But whatever the particulars of Ecuador's neoliberalism, Correa echoed the widespread perception that economic policymakers had failed dismally and that the country suffered from a weak, ineffectual state held captive by elite interests.

Building a vigorous, proactive central government—a state capable of sustaining a new model of economic development—became the defining policy objective of the Correa presidency. As other authors in this volume (see chapters 2, 3, and 4) and our editors observe, the countries in the region that have been able to pursue the most radical projects of "bringing the state back in" to economic and social development are those that have enjoyed the windfall profits from natural resource industries. Ecuador is no exception to this rule. With petroleum exports accounting for about 35% of government income, Correa assumed power in 2007 as petroleum prices made their way to $100 a barrel and revenues increased by more than 200%. At least initially, Correa could unleash his revolution with a measure of fiscal freedom. To ensure his control over revenues, Correa put an end to previous practices of earmarking oil revenues for specially designated funds and enacted regulations obliging public enterprises to turn over their profits to the central treasury.

Social policy is one arena where Correa's commitment to state activism and putting petroleum revenues to work was immediately palpable. Overall social spending increased, as did the number of programs and beneficiaries. Social expenditure as a percentage of GDP increased from 5.4% in 2006 to 8.3% in 2008; government spending was especially pronounced in the public health sector, with new programs that extended free health services to pregnant women and children, along with vitamins and food aid (Weisbrot and Sandoval 2009). Antipoverty assistance received a substantial boost. One of Correa's first acts in office was to double the payments made to recipients in the targeted social assistance program Bono de Desarrollo Humano. In addition, recipients were eligible for business start-up loans, as were microentrepreneurs in targeted areas of manufacturing and agriculture. Low-income home buyers or renovators could also take advantage of government loan programs. New spending in education included the provision of free books and uniforms to low-income families, along with the expansion of the school lunch programs. Correa complemented his rapid-fire social spending with the use of his power to declare "emergencies." By doing so, he tapped into government funds for other kinds of targeted spending ranging from road-building to school construction. Overall public investment as a percentage of GDP more than doubled from 2006 to 2009, growing from 5% to 14% (SENPLADES 2010)

Heightened government spending, especially on programs with benefits enjoyed by millions of voters, yielded a political payoff. During the election cycle from 2007 to 2009, Correa convincingly campaigned as an effective president who plied state power in the service of average citizens: it was a point driven home regularly by Alvarado's communications operation. But Correa's ambitions for the central state extended far beyond the remedial actions that revitalized the role of government in the provision of social services. While the new constitution did not eliminate the market, the Correa administration would relegate it by expanding the state's reach as regulator, banker, insurer, stockholder, and entrepreneur.

The new regulatory thrust was evident in policies affecting national and foreign-owned business. Banks were one of the major targets of government intervention, with the executive branch appropriating full control over the disposition of assets while leaving the banks responsible for legal liability. Under new regulations, banks were subject to controls on everything from domestic liquidity reserves and interest rates to fees on financial services and ATM withdrawals. From the perspective of bankers, the strict regulatory regime amounted to a "de facto nationalization" of the banking system.[10] The government's own Central Bank, now stripped of its legal autonomy and run by a presidential appointee, administered the new order in the financial system.

Likewise, foreign capital was in the government's crosshairs. Correa took on oil

companies with an executive decree hiking the taxes on windfall profits. The affected companies filed petitions for arbitration in the World Bank's International Centre for Settlement of Investment Disputes (ICSID). Correa responded by announcing Ecuador's withdrawal from the body. Other high-profile contractual disputes with foreign firms concluded with the confiscation of oil fields from the French company Perenco, the seizure of assets of the Brazilian construction company Odebrecht, and threats that forced Mexican telecommunications giant América Móvil into major concessions. In 2010 Correa threatened foreign oil companies with expropriation if they failed to sign new contracts altering their status to that of "service providers" with higher revenue remittance obligations to the central government.

Correa shares Chávez's commitment to "twenty-first-century socialism" and talks about the need to "radicalize" his revolution. Nonetheless, at least to date, Correa has refrained from mimicking Chávez's nationalization push. Instead, government plans have focused on enhancing the substantial market power of firms that are already under state control and forming new ones. Of the top 50 largest companies in Ecuador, 10 are state-owned firms, accounting for 48% of all business assets and 44% of all sales.[11] These holdings include PetroEcuador, the state company responsible for about 60% of oil exports. Other important state-owned enterprises are found in electricity, telecommunications, insurance, and army-based operations in steel processing, manufacturing, and agriculture.

Designing the long-term development plan is the reinvigorated Secretaria Nacional de Planificación y Desarrollo (SENPLADES). Setting sights on moving Ecuador away from its dependent status as an oil exporter, SENPLADES issued its 2009–13 plan outlining an "endogenous strategy" in which targeted import substitution industrialization, ecotourism, and "responsible" mineral and oil extraction are prioritized as the bases for future development. But combining these policy elements in theory has proved easier than juggling them in practice. Public investment has been and continues to be the driving force in the economy, making Correa's state-centric model highly dependent, at least in the short to medium term, on revenues from Ecuador's current and prospective extractive industries (oil and new mining ventures). This structural bind creates dilemmas for Correa on the Left and on the Right. On the Left, Correa confronts CONAIE and the environmental groups when he asserts the government's right to dictate policy on natural resources and override community concerns on mining and the like. On the Right, Correa wrestles with business actors, foreign and national, who balk at the idea of investing in what they see as an unpredictable and highly state-centric development model.

Wrestling with volatile petroleum prices, problems in oil production, decreasing remittances from Ecuadorians living abroad, and other effects flowing from the international economic downturn of 2008–9, Correa and his economic team wove a

patchwork of policies to maintain public investment and keep the state-centric model of development on track. With Ecuador's monetary system constrained by the official use of the U.S. dollar and faced with a public fearful of the idea of changing back to a national currency, Correa could not look to exchange rates as a policy tool to promote exports.[12] Managing a growing trade deficit in 2009, the government implemented stiff import restrictions and tariffs (World Bank 2010a). Revenue from tariffs, along with new injections from tax reform, allowed the government to keep spending, as did its selective default on $3.2 billion in international bonds.[13] By late 2009, the central government was repatriating its own international reserves, tapping into the reserves of public entities such as the social security system, and seeking external financing for a projected budgetary shortfall of more than $4 billion in 2010.

Rooted in a rhetoric espousing nationalism, Pan-Americanism, and a multipolar conception of world politics, Correa has crafted a foreign policy focused on finding new partners, especially partners that can assist in aid and trade. After a 15-year absence, Ecuador rejoined the Organization of Petroleum Exporting Countries (OPEC) in 2007 and took exploratory steps toward building a relationship with Iran. In the search for external financing and aid, Correa sought stronger commercial ties with -shed its observer status and finally signed on as a member in the Venezuela-led regional trade bloc Alianza Bolivariana (ALBA) in 2009. In 2010, Correa was in Caracas signing new economic cooperation agreements with Venezuela that included the creation of binational companies in mining and agriculture, along with the joint-venture agreements already under way between the countries' respective state oil companies. Correa's interest in promoting regional multilateralism also showed in his enthusiastic support of the Union of South American Nations (UNASUR) and the launching of the region's Banco del Sur.

As he carved out an active role in hemispheric affairs, Correa found himself periodically at odds with the United States and its closest regional ally, Colombia. Correa made good on his campaign promise to end the U.S. Air Force's lease on the Manta air base in 2009. President Álvaro Uribe subsequently sealed a controversial deal that provides the United States access to seven air bases inside Colombia. Uribe's move aggravated the feud that had led to a break in diplomatic relations between Ecuador and Colombia in 2008 when Colombian military forces attacked FARC (Fuerzas Armadas Revolucionarias de Colombia) guerrillas camped out in Ecuadorian territory. Notwithstanding the conflicts over defense matters, Correa was pragmatic on the issue of trade relations with the United States, a market that accounts for 60% of all Ecuadorian exports. While ruling out any free trade deal with the United States, Correa joined other Andean Community country presidents in lobbying for an extension of trade preferences legislation for the region.

Assessing the Citizens' Revolution

In the introduction, Levitsky and Roberts rightly characterize Correa's approach to democratic governance as plebiscitary, akin to that practiced by Hugo Chávez and Evo Morales. The three leaders came to power with an explicit commitment to obliterate existing government structures by establishing an entirely new constitutional system: the commitment to *re-fundar* (refound) the republic was an essential component of the governing philosophy espoused by all three men. This foundational project is an important marker that distinguishes the politics of these leaders from those on the moderate Left (Luiz Inácio Lula da Silva, Néstor Kirchner, and Michelle Bachelet). In the Andean iterations of the left turn, serial elections or referenda laid the essential groundwork for the new political order. The electoral exercises swept away institutions (congress and the judiciary) controlled by partisan rivals, entrenched progovernment majorities in newly constituted government structures, and paved the way to enhanced executive power. Moreover, serial elections gave these presidents the opportunity to refresh their charisma on the campaign trail and renew their mandates for change.

Yet, for all their similarities in political rhetoric and governing style, the three presidents have forged policies that reflect their own distinctive interpretations of national problems and how to grapple with them. One of the biggest differences among the Andean leftist presidents is the gaping divide between Morales's ethnopopulism (see chapter 10) and what has been described as Correa's "technopopulism" (De la Torre 2010). In Bolivia, Evo Morales embodied the country's indigenous identity and made the struggle for indigenous rights a central component of the MAS governing philosophy. In Ecuador, Correa's relationship to multiculturalism and the concrete demands of indigenous groups is far more problematic. Donning a poncho and speaking rudimentary Kichwa on the campaign trail, Correa revels in the symbolic celebration of Ecuador's indigenous roots. But even as he embraces the "intercultural, plurinational" state inscribed in the new constitution, his policies reflect fear of the fragmenting potential of ethnic identities and outright rejection of the notion that indigenous groups be allowed to claim "veto" power over public policy, particularly with respect to decisions on the future of extractive industries. Correa frequently cautions indigenous and environmental groups that he will not allow them to turn Ecuador into "a beggar sitting on a sack of gold." His very public falling-out with two close former advisers and ministers, Alberto Acosta and Fander Falconi, showed the president's willingness to shed PAIS leftists too closely aligned with the indigenous-environmental movement and replace them with pliable apolitical technocrats.

Levitsky and Roberts characterize Correa's policies to date as heterodox, as opposed to the statism of the Chávez government in Venezuela. Although this characterization

is applicable when applied strictly to economic measures enacted so far, the heterodox label should not deter us from taking into account important developments that may shape policy in the long run: namely, how significant changes in law and the constitution are amplifying the economic powers of the state. Ecuador's new constitution endows the state with the right to "administer, control, regulate, and manage" designated strategic sectors of the economy, which include all energy-related industries, telecommunications, water, petroleum, mining, renewable resources, biogenetic resources, transportation, and any other activity deemed vital. At the same time, the state is charged with "democratizing" access to productive resources and creating a legal framework to implement communitarian and mixed types of property-holding that will stand alongside the traditional public and private sectors.

Admittedly, Correa has not yet invoked these articles to justify Chávez-style business takeovers, nor has he mounted a concerted effort to put an end to dollarization, arguably one of the biggest constraints that he faces as an economic policymaker. Nonetheless, even in the absence of those measures, it is important to recognize that Correa's project is profoundly state-centric in the scope of its aspirations: the constitution, law, and public policy all drive in the direction of shifting greater economic power to public-sector enterprises, extending the government's regulatory grip, and placing more economic resources in the hands of the central government.

Whether Ecuador's fiscal resources will prove sufficient to sustain an economic model so dependent on public investment and spending is one of the questions hanging over the Correa administration. As several authors in this volume argue, economies relying on windfall rents from extractive resources make populist-style policies an attractive option, but crises result when the commodity boom turns to bust. As of mid-2010, the Correa administration has not shown signs yet of backtracking from its model. Betting on a continued recovery and stabilization of petroleum prices, the government has set on a strategy of grappling with its deficit in the short run by drawing down reserves, deploying capital from the social security system, and continuing the search for foreign sources of financing. Critics have seized on these measures as signs that the economic model is fiscally unsustainable in the long run, but thus far the government has proved remarkably successful at muddling through.

Uncertainty about the future of the economic model is matched by the equally compelling puzzle of whether Correa can sustain political support for his project. Starting in mid-2009 and continuing through the first half of 2010, Correa's approval rating sagged below the 50% mark for the first time. While he still wins high marks on health and education policy, the public's approval ratings of economic policies are lower. Unemployment remains the number-one concern for voters and the most intractable problem for the Correa government.

For now, the most troubling political challenge to Correa is not likely to come

from traditional rivals like Noboa, Gutiérrez, or Nebot. None of the three leaders have proved effective at organizing nationwide opposition, and the government has been deft at defusing regional discontent with targeted spending policies. In the immediate future, malcontents in PAIS, social movements, and unions are likely to pose more problems as their disappointment with the president's domineering style grows. Fissures have started to emerge inside PAIS's legislative caucus. Recent conflicts have included disagreements with the president over alleged misconduct by the attorney general and the government's proposed Water Law, a measure adamantly opposed by CONAIE on the grounds that it did not stipulate sufficient control over resources by local communities.

In the event of sustained conflict with PAIS legislators or other forces, Correa can play the card of calling for new elections or referenda to settle contentious issues. As this analysis has shown, Correa in campaign mode is a formidable force; with the resources of state at his disposal and a sophisticated media operation in place, he would enjoy an advantage at the ballot box. However, the strategy is not without risks; early elections, even if won by Correa, would shorten the length of his presidential term, and there would be no guarantee of securing a solid PAIS majority in the next assembly.

In a country with a history of "presidencies interrupted," sustaining the Citizens' Revolution in the years ahead will depend on a combination of favorable economic conditions and skillful agency. Buoyant petroleum prices and agile financing are vital, but of equal importance is Rafael Correa's own acumen and ability to continue what he has done so well to date: effectively deploy his charisma, the powers of the presidency, and the considerable resources of the state to maintain his near-hegemonic hold over the political system.

NOTES

1. "Correa asume Presidencia tras insultante discurso en Zumbahau," *El Telégrafo,* January 14, 2007.

2. Protestors adopted the name *forajidos* as their own after Gutiérrez had used the term to insult his opponents.

3. Only one leftist party, the Partido Socialista–Frente Amplio, endorsed Correa in the first round; the organization ran its own slate of congressional candidates and was disappointed by Correa's lack of interest in promoting its candidates.

4. "Fander Falconi maneja el 'chip' ideológico desde la SENPLADES," *El Comercio,* March 2, 2008.

5. "Una amalgama de movimientos apoya la candidature presidencial de Correa," *Hoy,* May 17, 2006.

6. "Ultimas encuestas de intención de voto a escala nacional," *Hoy,* August 25, 2006.

7. "Afinamos el mensaje de Correa en medios masivos," *Expreso,* July 21, 2006.

8. "¿Por qué las cifras favorecen a Correa?" *El Universo,* November 27, 2006.

9. "Qué elección ganó la Conaie que quiere manejar el agua," *El Comercio,* May 7, 2010.

10. *Weekly Analysis of Ecuadorian Issues,* August 24, 2009.

11. *Weekly Analysis of Ecuadoran Issues,* August 28, 2009.

12. A recent survey shows 84% of the public favoring the continued use of the U.S. dollar (CEDATOS 2010).

13. Nathan Gill, "Ecuador's President 'Freeing' Central Bank Fund for Citizens," *Bloomberg Businessweek,* May 1, 2010.

Argentina

Left Populism in Comparative Perspective, 2003–2009

SEBASTIÁN ETCHEMENDY AND CANDELARIA GARAY

It is difficult to place Argentina within the recent wave of leftist resurgence in Latin America. Comparative approaches that locate the governments of Néstor Kirchner (2003–7) and Cristina Fernández de Kirchner (2007–11) in the new map of the Latin American Left differ significantly. Although most general analyses (Cleary 2006; Leiras 2007, Roberts 2007) agree that the Kirchners' administrations are part of the leftist movement sweeping the continent, Castañeda (2006, 38), for instance, grouped Argentina together with Venezuela and Bolivia, in the category of "irresponsible" and nonreformed populism. Gallegos (2006, 39), however, has contrasted the demobilizing effects of the Kirchners' relationships with social actors in Argentina with the experience of continuous social movement mobilization by Evo Morales in Bolivia.

The two Kirchner administrations' policies defy easy classification. The Kirchners confronted international creditors and the Catholic Church and repeatedly clashed with large oil companies (most notably Shell Corporation) and rural business interests; they clearly prioritized economic growth over inflation control, and they renationalized the pension system. Moreover, they established solid alliances with popular actors such as mainstream unions and some of the largest unemployed workers' organizations and community-based social movements, and they promoted a series of trials of the military accused of human rights violations during the 1976–83 dictatorship. At the same time, they ran fiscal surpluses, established a good relationship with the national peak industrial association, the Argentina Industrial Union (UIA), and were unwilling to roll back the major privatizations carried out during the 1990s.

To classify the Kirchner administrations within the current map of the Latin American Left,[1] we measure their "degree of radicalism" with respect to two issues that are relevant for left-wing politics: the mobilization of organized lower-class actors and the challenge to business and financial interests. We do not claim that the pursuit of popular mobilization and the attempts to undermine the interests of the economic elite necessarily bring about major social redistribution or equality, a question that is

obviously important for left-wing politics. We simply contend that these are reasonable criteria to assess a question that has historically loomed large in any analysis of leftist politics, namely its degree of radicalism with respect to major expressions of the socioeconomic cleavage. This approach further allows us to compare the Kirchner governments with those led by other populist and established left-wing parties in Latin America.

The study thus examines the Kirchner governments on two fundamental dimensions: (1) the degree to which they have promoted the mobilization of organized popular actors in the formal and informal sectors and (2) the extent to which they have undermined or challenged the interests of the economic establishment, understood as the main domestic and foreign capitalists in the areas of finance, services, industry, and agriculture. In the first section, we analyze the political strategy of the Kirchners toward organized popular actors. We show that they integrated popular actors (i.e., social movements and labor unions) into their governing coalition primarily through policy concessions and state appointments. At the same time, these allies became vital supporters of the government, notably during the 2008 "farm war," in which rural producers staged a 90-day lockout and carried out massive roadblocks against the administration of Cristina Kirchner.

In the second section, we review the political economy of the Kirchner administrations, examining economic, labor, and social policy to assess the government's relationship with business and organized popular actors. We find that the government clashed more with domestic business on regulatory policy (controls on the price of public utilities and the price and exports of wage goods) than on macroeconomic policy or state ownership. We show that a macroeconomic scheme that combined a relatively expansionary monetary policy with some orthodox fundamentals was buttressed by the state capture of economic rents of international bondholders (through an aggressive and unilateral debt rescheduling), of private pension funds (through reforms that ultimately nationalized the pension system), and of rural producers (through increasing export taxes).

In the final part of the chapter, we argue that the Kirchner governments have navigated a middle ground within the current Latin American Left in terms of their radicalism. We select two cases that have been taken as examples of moderation and extremism in the region, the administrations of Luiz Inácio Lula da Silva in Brazil and those of Hugo Chávez in Venezuela, to shed some light on the factors that, we believe, have shaped the incentives for radicalization in the Argentine case: whether the Left in government had previous linkages to organized popular actors and the extent of party-system collapse.

Before we proceed, two important points should be mentioned. First, despite heightened political polarization triggered by the Kirchners' left turn, the political

regime remained democratic. Elections were free and fair, there was no repression of social protest or serious attacks on the media or the judiciary, and after the conflict with rural producers in 2008, Congress became a decisive arena of policymaking and government accountability. Finally, the Kirchners made no unilateral effort to rewrite the constitution.

Second, we classify the Kirchner governments as left, even though their political party, the Peronist Justicialista Party (PJ), is not. As Levitsky and Roberts argue in the introduction, the Argentine left turn was underpinned by a populist machine, the PJ, which was able to form a broader left-wing policy coalition. Of course, Peronism, as such, is not easily located on the left-right spectrum. Since its emergence in the 1940s, it has shown remarkable ideological and policy divergence. Historically, Peronism has harbored extreme right nationalists and left-wing guerrillas, both combative and business unionists; it has pushed state nationalizations and macroeconomic expansion as well as vast privatization and neoliberalism. In the 1980s, the PJ built a patronage machine that facilitated policy adaptation to neoliberalism in the 1990s (Levitsky 2003) and which to a large extent also supported the left turn under the administrations of Néstor and Cristina Kirchner.

The Political Underpinnings of the Argentine Populist Left: Machine Politics, Labor Unions, and Social Movements

Néstor Kirchner, of the Peronist party, was the first president to be elected after the 2001 financial and political crisis had toppled the administration of the centrist Alianza and had plunged the country into a dramatic economic collapse. An improbable president, Kirchner came to power with the support of the mainstream Peronist machine, which allowed him to win the presidential election with a slim margin. Once in office, Kirchner gained high levels of popular support because of his anti-neoliberal political discourse, which sharply criticized the market-oriented reforms conducted by the PJ administration of Carlos Menem (1989–99). During the 1980s, the Peronist party, a traditional populist labor-based party of the import substitution industrialization (ISI) period, underwent a dramatic transformation. It severed its linkages with organized labor and became a patronage-oriented machine party (Levitsky 2003). This organizational transformation allowed the Peronist party to remain electorally competitive in a context of declining unionization. In the 1990s, machine politics helped the PJ implement sweeping market-oriented reforms and prevent mobilization against state adjustment.

In the aftermath of the 2001 crisis, the pursuit of a left-wing policy agenda and governing with the support of the established PJ machine would seem to be incompatible tasks. Yet Kirchner was able to steer the PJ machine toward a new policy ori-

entation, as well as to build strong linkages to social groups outside the PJ machine, such as unemployed workers' federations, which contested the promarket policies of the 1990s. Top-down, uncontested leadership of the PJ machine provided a predictable base for governing and electoral support, while the construction of linkages with social actors—including social movements and traditional labor unions—underpinned Kirchner's left-wing policies.

The resulting coalition was not created without internal conflict. The PJ was divided in many provinces throughout the 2003–9 period, and in the 2009 midterm election, the Kirchners lost significant votes to a "dissident" PJ, which cost the government control of Congress. For the most part, however, the PJ proved to be a stable source of electoral and political support. The PJ machine backed the government in exchange for patronage and influence over candidate selection, while popular actors in the informal and formal sectors were granted state positions and policy concessions.

In this section we examine the level of radicalism of the Kirchner administration with respect to organized social actors, that is, unemployed workers' organizations and labor unions, along three dimensions: incorporation in the state, inclusion in the partisan coalition and electoral nominations, and promotion of direct action or street demonstrations against political adversaries or business.

Unemployed Workers' Organizations

When Néstor Kirchner came to power, the organizations of the unemployed mobilized actively in demand for social programs and jobs. Unemployed groups had emerged in the late 1990s confronting the PJ machine, and their contentious activity had increased significantly during the administration of the Alianza (1999–2001). In 2003 the largest organizations managed to mobilize about 100,000 beneficiaries of state-sponsored workfare programs, which the interim administration of Eduardo Duhalde (2002–3) expanded in order to dampen protest and alleviate the effects of the 2001 crisis (Garay 2007). Although protest had diminished since the expansion of workfare programs, it nevertheless remained high. For example, between January and April 2003, when presidential elections were held, these movements of the unemployed organized 70 acts of protest.[2] High levels of protest presented Kirchner with a choice between responding to policy demands of unemployed groups and confronting them through repression. Confrontation had not helped presidents in the past. Kirchner's strategy was to court these groups, especially (though not only) the largest ones, which were not linked to any political party, and to eventually ignore the more radical ones, which tended to be associated with small left-wing parties.

Some of the largest unemployed workers' movements indeed threw their support

behind Kirchner.[3] Through policy inducements, which initially included participation in public works and support for microenterprises and, later on, pension expansion and new income transfers (analyzed below), Néstor and then Cristina Kirchner negotiated a reduction in protest activity and mobilized loyal groups both in support of government policies and against adversaries.[4] Indeed, the organizations of the unemployed helped organize massive rallies for the Kirchners and mobilized against agricultural interests and big business (see *La Nación,* March 16, 22, 2006). This was particularly the case in the administration of Cristina Kirchner, when unemployed and other social movement leaders openly confronted the massive mobilizations of rural producers against increases in export taxes, becoming the symbol of progovernment support.

Unemployed organizations further participated in the Kirchners' coalition with state appointments. Although some also joined the Kirchners' faction within the PJ, the Victory Front (VF), the organizations were principally incorporated through state appointments. By 2006 at least 50 members of various unemployed organizations, including their main leaders, held positions in the state.

Labor Unions

Initially, Néstor Kirchner's antineoliberal rhetoric garnered the support of the more leftist factions of the labor movement, the Central de los Trabajadores Argentinos (CTA), which organizes teachers, around half of state workers, and a few industrial unions. In office, however, the government consistently courted the mainstream Peronist Confederación General de los Trabajadores (CGT), which encompasses private-sector workers and public-sector unions not aligned with the CTA. After 2003, when economic growth resumed and the labor market tightened (especially through employment creation in the formal and unionized sectors), the mainstream labor movement became a crucial ally in promoting governability. The Kirchners' administrations rewarded the Peronist unions with labor policy measures (analyzed below) in the areas of industrial conflict, wages, and labor law reform. They did not however, reestablish the CGT's formerly important role in the PJ or institutionalize its influence within the VF structure. Moreover, the government rewarded labor with the appointment of union-friendly officials in crucial state positions such as the ministry of labor or the office for the control of the union-run health system. The alliance with the Peronist labor movement (especially with the dominant faction of the CGT formed by transportation workers) paid off: no general strikes were called for the first time since the democratic transition, the CGT unions organized some massive progovernment rallies, and they publicly supported the government and participated in street demonstrations during the "farm war" of 2008.

The Political Economy of the Kirchner Administrations

This section examines the political economy of the Kirchners' governments along three lines: economic (including macroeconomic, regulatory, and state ownership), labor, and social policy.

Economic Policy

MACROECONOMIC AND FINANCIAL POLICY

The fundamentals of the macroeconomic policy of Néstor Kirchner's administration and that of his successor, Cristina Kirchner, were put in place under interim president Eduardo Duhalde, in reaction to the traumatic crisis of 2001. Argentina had been a poster child for economic liberalization during the 1990s. The full convertibility of the peso (one-to-one to the dollar) implemented by the Menem government (1989–99) meant in practice that capital movements inside and outside the country would set the monetary base. Indeed, a wave of capital inflows sparked by international bond market expansion fueled a domestic economic boom in the first part of the 1990s. In this period the country underwent most of the structural reforms recommended by the Washington Consensus. However, exchange rate appreciation (which hurt domestic production); the evaporation of capital inflows after the Asian, Russian, and Brazilian crises of the late 1990s; and the ensuing domestic recession culminated in the fall of the Alianza government (1999–2001) amid a financial meltdown, riots, and social chaos (see Etchemendy 2005).

The Duhalde administration (a national unity government formed by the bulk of the Peronist party machine and supported by the Radical Civic Union [UCR], the traditional centrist party around which the Alianza had been formed) stopped servicing the debt with bondholders and formalized the currency devaluation that the market had imposed at the end of 2001. The exchange rate was allowed to float (reaching 4 pesos in April 2002 and stabilizing around 3 pesos afterward, i.e., a 200% devaluation), while the government had to deal with the whole set of contracts broken in a previously dollarized economy: frozen deposits and bank loans in "Argentine" dollars, prices of privatized public services (also dollarized), and defaulted debt obligations. After a dramatic fall in output and employment, when Néstor Kirchner took power in May 2003 the worst part of the crisis had passed. Although inflation jumped through 2002, the feared hyperinflation did not occur.[5] The economy had started to rebound as a result of high international commodity prices, firms' large idle capacity, and the incentives for domestic business given by the government-financed liquation of firms' dollar debts with banks and the loss in real wages after the devaluation. However, the

country was still in shambles: poverty had reached 50% of the population, unemployment was 17% in 2003, and social contestation was still high.

The new government preserved the main traits of the macroeconomic orientation of its predecessor—Kirchner even retained Roberto Lavagna, Duhalde's last minister of the economy, until October 2005. Exchange rate depreciation vis-à-vis the dollar and the Brazilian real was initially the consequence of a steep devaluation at the beginning of 2002. Under Kirchner, however, it was increasingly achieved through Central Bank intervention in the context of constant capital inflows: the monetary authority purchased dollars available in the market from mounting exports. Part of the resulting pesos were recaptured by the Central Bank through medium-term bonds, with the goal of averting excess liquidity and inflation.[6] Exchange rate depreciation served the dual purpose of favoring tradable productive sectors and consolidating the fiscal front as the state captured part of the grain and oil foreign sales through export taxes.

Regarding international financial policy, the International Monetary Fund (IMF), which had been relatively patient with Duhalde, demanded a "sound" economic policy (i.e., a floating exchange rate, price adjustments in privatized public utilities, restructuring or privatization of public banks, and an even larger fiscal surplus) and "good faith negotiations" with defaulted bondholders to resume economic assistance. Rhetorically, Kirchner blamed the IMF and the World Bank for the failed policies of the 1990s and the 2001 crisis, and he threatened to suspend payments (and briefly did it in September 2003). He refused to sign a new agreement with the IMF that would imply policy conditionality in exchange for new funds. However, while the rest of the public debt had been in default since January 2002, money flows from the Argentine Treasury and the Central Bank to the IMF and the World Bank continued relentlessly until 2006, when the government canceled the totality of the IMF liabilities. The relation with the IMF, thus, oscillated between confrontation and mutual deterrence: the IMF objected to the postcrisis economic policies and the default on bondholders but could not risk a default on its own balance sheet from one of the three largest world debtors. The Kirchner administration, for its part, strove for policy independence but feared a common front between the IMF and bondholders. The price for a "divide and rule" strategy vis-à-vis international creditors was, therefore, servicing on schedule the debt with the IMF.

The administration, however, maintained a tougher stance with bondholders, as it pushed for considerable capital reduction, interest rate repudiation, and the rescheduling of payments. Two debt-restructuring offers were made to a variety of institutional and individual creditors, in Dubai (2003) and in Buenos Aires (2004). Although the second one was more generous, the final outcome when the restructuring process was completed in 2005 would have been unthinkable in the heyday of

financial globalization in the 1980s and 1990s: the Argentine government obtained a reduction of about 55% in the defaulted nominal debt capital, refused to service the interest rates unpaid throughout the default period, extended considerably the average maturity, and lowered the exchange-rate risk, as about half of the new bonds were denominated in local currency.[7]

The question is how defiant of dominant capitalist interests this macroeconomic scheme was, and the extent to which it was designed by the Kirchner administration or simply inherited from the prior administration or made possible by external economic forces. Generally speaking, like any heterodox and (neo-)Keynesian approach based on monetary expansion and low interest rates, Kirchner's economic policy implied a positive-sum game between workers and capitalists, especially those located in the tradable sector. Of course, an "artificially" depreciated exchange rate (i.e., one achieved through Central Bank intervention in the context of massive current account inflows) in itself is not "leftist" or even "populist" in view of its implicit consequence of low real wages—indeed it was the trademark of the well-known mercantilist and generally antilabor approach to development in East Asia. Moreover, any neoliberal technocrat of the 1990s would have envied the fiscal surpluses that the administration achieved.

However, the expansion of "universal" price subsides (analyzed below), state infrastructure spending, the support for unions in their quest to recover real wages, and a heterodox approach that combined yearly rates of around 10% GDP growth and 10% to 18% inflation between 2005 and 2007 was criticized by orthodox and right-wing economists. Certainly, the external environment of low interest rates in the developed world (which made the offers of debt restructuring more attractive) and high commodity prices benefited a macroeconomic scheme largely inherited from the previous government. That said, the Kirchner administration was savvy enough to profit from the external bonanza while maintaining a policy frame that served to strengthen its main coalitional base of urban popular sectors and industrial business. Likewise, it skillfully realized that the IMF was on the defensive after the emerging markets' financial crises of the late 1990s. The fiscal surpluses during Néstor Kirchner's administration were as much a consequence of high commodity prices as they were of the debt repudiation and rescheduling, the nationalization of private pension funds, and export taxes on farmers and oil producers. By 2008 domestic inflation had mounted,[8] fueled by international commodity and food prices, rising state spending, and the farm strike. In 2009, however, the international financial crisis temporarily curbed inflationary expectations. In reaction to the crisis, the government increased spending and sponsored programs that subsidized wages in a group of large companies. Still, in the context of further exchange rate depreciation since 2008, and of the government's expansionary strategies to cope with the crisis, in 2009 Argentina's

inflation remained among the highest in the continent, estimated at approximately 15% by private consultants.

REGULATORY POLICY: COPING WITH WAGE-GOODS PRICES

Regulatory policy (more than macroeconomic policy or state ownership) is the domain in which the Kirchner governments clashed most with domestic capitalists, and it is also the area in which they rewarded popular constituencies more directly. By regulatory policy we mean three general initiatives: (1) price controls and export taxes and quotas on wage goods (basically, gasoline, milk, and beef) and the main food crops, (2) price controls in public utilities, and (3) subsidies to businessmen (and therefore to consumption) in areas such as energy, transport, and food production. These three types of measures are underpinned by the same goal: to protect popular sectors' short-run income.

Price controls and export bans on "wage goods"—those that constitute a large portion of popular consumption, such as gasoline, milk, and, in Argentina, beef— developed after 2005, when economic growth had recovered and inflationary pressures arose. In response to a domestic price increase, the government raised export taxes on beef and finally shut down exports in March 2006 in order to drive down prices. Not surprisingly, these measures triggered a reaction from rural producers' organizations, which called for a business lockout against official policy in July of that year. After tough negotiations, the government permitted exports selectively and established "reference prices" for the cuts of beef most consumed in the domestic market.

The greatest battle with the rural sector was waged, however, during the 2008 "farm war," under the presidency of Cristina Kirchner. In March the government sanctioned "mobile" export taxes (already around 35% of full price at the port) on soybeans, the main export crop of Argentina—that is, the tax would increase or decrease according to the fluctuation of the soy international price. However, the tax curve would rise significantly after soy reached a certain price ($600 a ton). The government would exact 97% of the income above that figure.[9] This measure, plus the farmers' accumulated grievances, triggered the largest business lockout in Argentine history, which continued intermittently until late June. Small and large farmers, represented by four sectoral organizations,[10] ceased commercializing crops. In addition, they staged a series of roadblocks (to freight transport and occasionally to any type of vehicle) in the provinces, which threatened to generate food and gas shortages in the main urban centers.

When the farmers' protest—which frequently outflanked the sectoral organizations and spurred uncoordinated contention on roads—was joined by street demonstrations of the urban middle and upper-middle classes, along with increasing attacks from the media, memories of the 2001 crisis arose. The Kirchners appeared to be

besieged for the first time since 2003. The government reacted by calling a series of mass demonstrations that once again evinced its core support base: labor unions, allied unemployed workers' organizations and social movements, and the Peronist party machine in the poorer areas of Greater Buenos Aires. In June President Cristina Kirchner finally submitted the resolution on export taxes as a bill to Congress.[11] The bill was unexpectedly defeated by a former ally and unlikely adversary, Vice President Julio Cobos, who cast the decisive vote after a tie in the Senate,[12] and the government was forced to repeal the tax hike. Thereafter, tension with rural producers eased, but divisions within the PJ—especially in the provinces with large rural areas—deepened.

The government of Néstor Kirchner also resumed price controls for gasoline, which had been partially deregulated in the 1990s. After 2004, Shell, Exxon, the Spanish Repsol-YPF, and the Brazilian Petrobras, the main oil companies in the country, began to increase gasoline prices. The government issued a series of regulatory threats in response.[13] Relations with all domestic oil groups worsened again when in 2006 and 2007 the government regulated new export taxes proportional to the changes in the international oil price and later banned the lucrative exports of naphtha in order to drive down domestic prices. The government ultimately reached price agreements with Repsol and Petrobras, which had the informal support of the governments of Spain and Brazil, respectively, and which enjoyed better price margins because of their integration into the upstream production in Argentina. By contrast, the government consistently pressured Shell in the various segments of the market.

Thus, export and price controls and clashes with capitalists in the wage-good areas of beef, gasoline, grains, and others like milk roughly followed the same logic. Booming international prices and local demand after 2005 drove up domestic prices. The government reacted by attempting price controls and issuing various "regulatory" threats to business.[14] Negotiations generally induced new price agreements. However, mounting domestic demand, rising international commodities prices, and lack of supply (especially in the areas of gasoline and, increasingly, beef) would trigger pressures for new price hikes and eventually a new round of negotiations.

In addition, the government controlled the price of public utilities, which had been frozen after the 2001 devaluation. Until 2008 international privatized companies in the areas of electricity, natural gas, and telecoms were only allowed to increase rates to large industrial consumers. Finally, the Kirchners' governments resorted to direct monetary infusions in their quest to lower the price of wage goods and internal transport and energy prices. The government financed electricity generators and bus and railway state and private companies; it subsidized fuels for freight transportation. It also established a series of subsidies to domestic producers in the areas of beef, dairy,

and wheat flour, channeled through the National Office for Agrarian Commercial Control (ONCAA) (see Richardson 2009).

STATE OWNERSHIP

The Kirchner administrations did not push a major expansion of state ownership in the domain of production. Despite a virulent antineoliberal rhetoric, the major privatizations of the 1990s were not rolled back. The approach to nationalization was pragmatic: only in the cases in which severe conflicts with established firms erupted about price rates and market conditions after the devaluation did the government push for a state takeover. Included were the main water utility company, Aguas Argentinas (which the government renationalized after the departure of the French company Suez), the national post office, and the main national airline, Aerolíneas Argentinas.[15] In the case of one of the two main companies in electricity distribution (EDENOR, controlled by the French firm EDF), the government set the stage for its takeover by the national business group Dolphin. In all these cases, the desire of private operators to leave the business was evident.

In the area of oil production, the government initially gave way to its nationalistic aims and created a new company, ENARSA, to replace the national oil monopoly privatized in the 1990s. Despite some joint projects with Petróleos de Venezuela (PDVSA) and the organization of biddings for offshore oil exploration in Patagonia, by 2008 ENARSA was little more than a menu of good intentions. The cases of EDENOR (electricity distribution), Repsol-YPF (oil), and Transener (which managed the electricity high-tension system) are illustrative of the pragmatic government approach to ownership in strategic sectors. In a tacit agreement with the Argentine government, the Spanish Repsol (the main oil producer in the country) sold a 20% stake in its Argentine subsidiary to the Petersen group, controlled by a family close to the Kirchners. In the case of Transener, the government blocked its takeover by a U.S. investment fund and associated—through ENARSA—with the domestic group Electro-Ingeniería to acquire 50% of its stock (the rest was controlled by the Dolphin group). In the case of Telecom, one of the two main phone companies in the Buenos Aires area that were sold to foreign majors in the 1990s, the government backed the national group Werthein's successful bid for the control of 50% of the company.

Labor Policy

Labor policy cemented the alliance between the government and the Peronist workers' confederation CGT.[16] Although mainstream Peronist labor unions had accommodated with Menem in the 1990s, their role in the labor market dwindled: in the

context of neoliberal adjustment and low inflation, collective wage bargaining was virtually absent and industrial conflict largely suppressed. Néstor Kirchner's government, by contrast, initially tolerated if not encouraged industrial conflict. In Argentina, the state is legally empowered to call off strikes by issuing a "mandatory conciliation." However, especially during the 2003–5 period, during which wages had not fully recovered after the 2001 devaluation, the government was reluctant to restrain strikes and openly stated that industrial conflict was the natural way for workers to recover real wages. Second, for the first time since the advent of neoliberal reforms, the government intervened in wage policy, both through decrees that stipulated nominal wage increases in the private sector and through increases in the minimum wage. Crucially, the Ministry of Labor ruled by decree that wage increases of a fixed sum had to be included in the collective agreements of every sector, thereby forcing unions and businessmen to bargain over the method and the timing of inclusion of the salary increase. Thus, government intervention in wage policy not only helped unions and formal-sector workers recover real wages, but it also set in motion a dynamic of bargaining-conflict in new collective contracts, the number of which soared under Kirchner (Etchemendy and Collier 2007).

Finally, the Kirchner era witnessed important negotiations with the mainstream labor movement around "corporatist inducements," that is, regulations of labor law and health policy that helped preserve the organizational power of unions. In 2004 the government reached an agreement with the CGT on a bill that (1) rolled back labor flexibility measures (i.e., those that facilitate layoffs and diminish business contributions to social security) implemented in the 1990s and (2) strengthened the role of national federations vis-à-vis local unions in collective bargaining. In addition, the government regulated a national committee for the negotiation of a minimum teacher wage, with representation of the teachers' unions and the state, and pledged to compensate the provinces that could not afford it. This recentralization of labor relations in a sector thoroughly decentralized in the 1990s—when education services were passed to the provinces—was crucial to enhancing the bargaining power of the main national teachers' union, the Confederación de Trabajadores de la Educación de la República Argentina (CTERA). Real wages in the teachers' sector grew consistently during the Kirchners' administrations.

Of course, the general coalitional fulcrum with organized labor was macroeconomic policy. The combination of a depreciated exchange rate and a heterodox monetary policy led to an expansion of consumption and employment that enhanced union demands and strengthened labor bastions in tradable sectors that had been decimated in the 1990s. Certainly, organized and formal-sector workers (around 44% of the labor force) were in a far better position to reap the benefits of industrial action and real wage gains (see Etchemendy and Collier 2007). The corollary of union

activation was a series of national rounds of collective bargaining that Etchemendy and Collier (2007) called "segmented neocorporatism," a pattern of peak-level bargaining in which autonomous national unions, business, and government negotiate a minimum wage, and a wage-increase parameter, in exchange for real wage gains and "corporatist inducements," but the agreements apply only to the formal sector of the working class.[17]

Social Policy

The Kirchner administrations introduced significant social policy changes that expanded access to social transfers, services, and pensions.[18] These initiatives benefited primarily previously unprotected workers outside the formal-labor market and their families, about half of the population, and involved substantial state expansion.[19] The most visible reforms included the creation of different employment schemes and the extension of family allowances to low-income children, as well as the expansion and nationalization of the pension system. The main goal of these social policy innovations was to dampen protest by unemployed workers' organizations and mobilize popular support (Garay 2010). The reform of the pension system served both to universalize coverage and to capture pension rents to fund other social policy innovations, such as family allowances, productive investments, and social infrastructure.

The Kirchner administration inherited broad-reaching social transfers for the informal poor and unemployed, launched by former president Duhalde after the financial collapse in 2002. The most visible was the Unemployed Heads-of-Household Program (UHHP), a workfare scheme that covered close to 20% of the households in the country by the time Kirchner took office. Income transfers and proemployment initiatives were critical to boosting employment and retaining the support of social movements.[20] Several employment initiatives were launched. Soon after taking office, Néstor Kirchner announced an emergency housing program, which financed public housing built by cooperatives formed by beneficiaries of the UHHP or by municipalities. In the first phase of the program, unemployed workers' federations were responsible for the construction of 27% of the houses.[21] Another innovation was the implementation of a microenterprise program, designed under Duhalde, which financed (in 2004) about 350,000 microentrepreneurs in 27,000 productive units (small workshops and food-producing cooperatives), providing them with start-up cash for tools and equipment (Ministerio de Desarrollo Social 2004, 2005). Further, by 2006 about 125,000 beneficiaries of UHHP (about 12% of total beneficiaries in 2003) had been hired in public social infrastructure works (water, sewage, paving, sidewalks, and community facilities) carried out by municipalities or by cooperatives formed by social and unemployed workers' movements. In the context of economic

growth and favorable policy measures, unemployment declined by 50%, from 17.6% to 8.4%, between 2003 and 2009.[22]

In 2009 the Cristina Kirchner administration faced new demands from unemployed groups to expand social benefits. High inflation and expectations about the negative effects of the 2008 international financial crisis on employment triggered mobilization. In response, the government passed a massive extension of universal family allowances directed to households outside the formal labor market (see Garay 2010). Because the program included incentives to maintain school attendance and obtain health checkups, it was expected to substantially improve education and health indicators. The program, called Universal Child Allowance, is the most important social right created since the return of democracy in 1983.

The second major social policy transformation was a set of pension reforms. The pension system had been partly privatized in 1994, offering active workers a choice between a revamped public pay-as-you-go (PAYG) system and a partly privatized scheme that included a public basic pension and a funded scheme administered by pension funds.[23] Choice for the PAYG was constrained, however. Workers could not transfer from the partly privatized scheme to the public system. Since the late 1990s, and particularly after 2001, the private pension system had shown severe technical problems and its legitimacy had badly eroded. Aside from contributing to declining coverage, pension privatization had transferred contributions from the state to private pension funds while forcing the state to pay pension benefits with shrinking revenue.[24] This had helped to fuel the extraordinary growth of the public debt since the late 1990s, which contributed to the financial collapse of 2001. Moreover, private pension funds had invested a significant part of pension savings in public bonds (see MTySS 2003), lending money to the state. The negotiation of those bonds after the financial meltdown of 2001 hurt pension savings, undermining the prestige of the system and lowering the political cost of reform.

Starting in 2004, the Kirchner administration passed a series of pension reforms that extended coverage to the unprotected and allowed workers to choose between the privately administered capitalization system and the public PAYG. The PAYG system was also reformed such that benefits were particularly attractive to older workers. Transfers from the capitalization system to the public PAYG provided the state with considerable resources,[25] which, together with increased revenue from earmarked taxes and payroll contributions, helped fund the expansion of pension coverage.[26] By the end of Néstor Kirchner's presidency, the pension system was virtually universal, achieving the highest coverage ever.[27]

In 2009 the Cristina Kirchner administration further nationalized the private pension system. The 2008–9 international financial crisis, which made financial investments particularly risky and economic prospects grim, provided an opportunity to

expand state involvement in pension policy. Pension funds (owned by the major international banks) did not oppose nationalization. Because of the disappointing performance of the system, private pension funds had not created a significant constituency supporting continuity. The nationalization was critical to help fund infrastructure investments and the dramatic extension of universal family allowances in 2009.

Scoring Degree of Defiance

In view of the mobilization and political economy strategies described above, table 12.1 disaggregates the outcome, the degree of radicalism, into two main aspects, organized popular mobilization and the challenge to the economic elite, and scores them along their main dimensions. With respect to popular-sector mobilization, we assess (1) whether the government actively mobilized popular actors (in the formal and informal sectors) and (2) whether the actors mobilized are more moderate/pragmatic or more radical. Based on the previous analysis of the Kirchners' political strategy, we score their degree of radicalism with respect to popular actors as moderate. Néstor and Cristina Kirchner allied with organized popular actors and incorporated them into their coalition through policy inducements and appointments. Yet they prioritized the support of more pragmatic and moderate social movements and mainstream Peronist unions (rather than the more leftist CTA) in street mobilizations and public opinion debates.

Regarding the political economy strategy, we assess the degree to which the government affected business interests and profits in economic policy (including macroeconomic and financial policy, regulation, and ownership) and through labor and social policy. Macroeconomic and financial policy constituted a moderate challenge to the main business groups: the government achieved consistent fiscal surpluses, eschewed

Table 12.1.
Degree of radicalism under the Kirchner administration

Arena	Degree of radicalism
Political strategy	
Mobilization of popular actors (formal and informal)	Moderate
Political economy strategy	
Economic policy challenges	
Macroeconomic	Moderate
Regulatory	High
Ownership	Low
Labor policy	High
Social policy	High

tough exchange controls, and refused to openly confront the IMF. At the same time it pursued a high-exchange-rate/expansive monetary policy through Central Bank intervention (significantly undermining the "independence" of the monetary authority established in the 1990s) and deprived bondholders, private pension funds, and agrarian owners of part of their rents in order to solidify the fiscal situation.

In the area of regulatory policy, the stakes were higher, as the government consistently confronted domestic capitalists in its quest to lower wage-goods prices. Finally, in the domain of ownership, the government did not roll back the main privatizations of the 1990s, although it did use selective nationalizations to help empower domestic business groups in some strategic sectors. The main challenge to business was in the area of regulation, not ownership.

Finally, the Kirchner administrations presented a somewhat greater challenge to domestic business in the areas of labor and social policy, using these policies to empower popular actors. Labor policy entailed a complete U-turn with respect to neoliberalism: industrial conflict was broadly tolerated and even initially stimulated, labor flexibility measures were repealed, wage policy and the minimum wage council were reinvigorated, and centralized collective bargaining was notably strengthened. Although business supported and sometimes even praised wage agreements, negotiation was undoubtedly imposed on them after government-backed labor activation. Finally, social policy changes served the goal of cementing popular support. In the case of pension policy, the nationalization of the privatized pension system reversed one of the main symbols of marketization in the 1990s and served to fund the expansion of new social benefits.

Explaining Defiance

In the 1980s, the Debt Crisis steered Latin America in the direction of economic liberalization. However, a broad literature suggests that countries refracted these international influences in different ways. Levitsky and Burgess (2003), for example, have argued that cross-country variation in the timing and degree of economic liberalization was conditioned by domestic factors such as the extent of economic crises in the ISI model, the electoral challenge posed to incumbents by leftist parties, and the organizational characteristics of the party in power. Likewise, we argue that domestic variables conditioned the degree of radicalism in the "left turn" analyzed in this volume. We highlight two factors: prior linkages to activated popular actors by the Left in power and the degree of party-system collapse. In the case of the Argentine populist Left, these elements shaped the incentives for defiance.

Prior Linkages to Activated Popular Actors by the Left in Power

Left-wing governments generally need and seek support from organizations in the popular sectors. Our theoretical assumption is that an ascending Left that has no prior organizational linkages with popular actors will have to actively cultivate their support to attain governability. The courting and initial mobilization of those actors—formal-sector unions, movements of the unemployed, pensioners, or other community organizations—is likely to make some degree of defiance inevitable, both at the level of discourse and at the level of policy via resource redistribution and/or governmental backing in industrial action and demand-making. When leftist governments enjoy stable support from popular actors and their parties or factions possess historical linkages with unions and social movements, the urgency to court them actively—and therefore to challenge the status quo—is less pressing. Isolated leftist governments need to send strong signals from the outset. Consolidated left parties with historical links with the popular sectors, by contrast, know that they have a degree of loyalty secured, especially if the institutional power of popular interest organizations is low vis-à-vis the party bureaucracy. Thus, our first variable refers to the prior and historical linkages of the ascending Left with active popular actors.

Kirchner came to power with a small percentage of the vote share, 22.4%, the lowest of any Argentine president since redemocratization. Although he ran an antineoliberal electoral campaign, he lacked any open support or prior organizational linkages with unions or social movements, either within or outside the PJ. Popular organizations—which were highly mobilized at the time—largely ignored Kirchner's antineoliberal appeal.[28] CGT unions divided their loyalties between two other Peronist candidates, ex-President Carlos Menem and ex-interim president Adolfo Rodriguez Saá, in the 2003 presidential elections, and the leftist CTA had no organizational links with Kirchner. Likewise, the organizations of the unemployed opposed all the PJ candidates at that time, particularly Kirchner, who was supported by the Peronist machine of the province of Buenos Aires.

Degree of Party-System Collapse

Defiance was also facilitated by the electoral weakness of non-Peronist and moderate centrist parties after 2001. The collapse of the non-Peronist national parties amid the 2001 crisis made defiance relatively easy for two main reasons. First, the threat of partisan alternatives that could occupy the center of the party system and effectively defeat the incumbent in elections on a moderate platform was absent, thus paving the way for defiance. Second, the non-Peronist opposition lacked legislative power to shape the executive's agenda in Congress. Indeed, the fall of the Alianza

in 2001 initially left the opposition discredited and in disarray (Torre 2003). These mechanisms—the absence of a center party that could moderate Kirchner's agenda by posing a credible electoral challenge and the lack of significant opposition strength in the legislature—allowed the government to pursue a defiant strategy largely unconstrained. The Kirchners' attacks on sectors of business and their empowerment of combative unions and unemployed leaders were all useful in their recrafting of the dominant coalition within Peronism. This popular mobilization had few electoral costs until the conflict with rural producers helped the opposition capitalize on the surge in discontent and achieve electoral success in legislative elections despite high levels of party fragmentation.

Other factors also affected the degree of radicalism, albeit less significantly. The commodity export boom in Latin America provided substantial resources to many leftist governments (see chapter 2). However, availability of resources did not dictate policy content and political coalitions, because the Kirchner administrations could have used export rents toward other ends. Second, the Kirchners had loosely belonged to the Peronist Left as students during the 1970s, which likely shaped their ideological orientations and may have facilitated their appeal to organizations of the unemployed, progressive Peronists, and other left-of-center groups. In our view, however, the main factors that made defiance likely were the Kirchners' lack of prior organizational links with popular actors that were highly mobilized at the time and the low electoral challenge posed by centrist parties.

Argentina in Comparative Perspective

How does the "degree of radicalism" of the Kirchner administrations compare with other cases of the Left in government in Latin America? Brazil and Venezuela are good cases for exploring this question, because they are exemplars of moderate and radical left administrations. The administration led by Lula's Partido dos Trabalhadores (PT) in Brazil is frequently understood as a case resembling the moderate Left in Chile and Uruguay (chapter 13) and differing from the more radical Left in Venezuela under Hugo Chávez and in Bolivia under Evo Morales. Our aim is to substantiate our claim that the Kirchners' governments have represented a middle ground within the Latin American Left and to speculate about the plausibility of our explanatory account in a broader comparative perspective.

Table 12.2 scores the three cases in terms of their general degree of radicalism. In all three cases, left governments included popular-sector organizations and social movements in their coalitions. Those actors had never been part of any governing coalition in the past. In Brazil, the PT has a long-standing relationship with the landless and several other social movements and unions, and those relationships have been pre-

Table 12.2.
Degrees of radicalism in the left turn

Arena	Brazil	Argentina	Venezuela
Political			
Mobilization of popular actors by the left in government	Low	Moderate	High
Political economy			
Economic policy			
Macroeconomic	Low	Moderate	High
Regulatory	Low	High	High
Ownership	Low	Low	High

served once in power (Keck 1992; Hunter 2007). In Venezuela, the administration of Hugo Chávez also included new social actors, yet these were generally new territorial organizations (i.e., *círculos bolivarianos* and *consejos comunales*) that he largely created from above during his administration (see chapters 7 and 9).

Left administrations vary, however, in whether they mobilized popular actors in favor of the government. In Argentina, the Kirchners mobilized the organizations of the unemployed in support of their administration and against the economic establishment. They also supported unions' labor market activation. In both cases social and labor policy inducements were important to cement the empowerment and mobilization of these popular actors. Yet, the government mobilized the most pragmatic wings of both informal- and formal-sector organizations (the largest social movements and the CGT). In Brazil, by contrast, social movements like the landless movement (especially the Movimento dos Trabalhadores Rurais Sem Terra [MST]), though granted some policy inducements, were not especially mobilized by the Lula administration against business or propertied sectors, nor were they used to advance a particular political agenda (see chapter 13). Likewise, Lula did not decisively push for an activation of unions in the labor market (which is indeed coherent with a macroeconomic policy framework of low inflation and high interest rates). Finally, in Venezuela, Chávez both created and mobilized more radicalized territorial movements of a leftist vein (though only occasionally organized labor) in a challenging way, amassing popular support for his socialist agenda and against the opposition.

Regarding political economy, the Venezuelan case appears highly defiant in comparative terms. Chávez has prevented business and the wealthy from acquiring foreign exchange, crushed Central Bank independence, and run a relatively inflationary economy. At the same time, economic regulation appears to be high (especially in the food sector) and the property status quo of the 1990s has been seriously challenged in industries such as oil, telecoms, electricity, steel, and cement. Lula, by contrast, emerged as a darling of the international financial community, preserving Central

Table 12.3.
Defiance in the left turn

	Brazil	Argentina	Venezuela
Prior linkages to popular actors	High	Low	Low
Party-system collapse	Low	Medium	High

Bank independence and honoring the public debt (Bianchi and Braga 2005). At the same time, his government revalued the real and prioritized inflation control over economic growth, while regulation and property challenges have been consistently low (chapter 13).

Our comparative framework would suggest that the Venezuelan case under Chávez presented the ideal conditions for defiance (table 12.3). Chávez, like Néstor Kirchner, was relatively isolated when he took power, in both the partisan and the interest arenas. As López Maya (2005) shows, toward 1997–98 Chávez's Fifth Republic Movement (MVR) was just one of the myriad of leftist groups that mushroomed out of the fall of the Punto Fijo system, with no major organizational linkages to the larger popular sectors in either the formal or the informal sectors. Challenges coming from the centrist parties have been weak in Venezuela, where the established party system collapsed in its attempt to govern the transition to the market. In the case of Argentina, however, only the largest non-Peronist parties collapsed in 2001—rather than all traditional parties. Indeed, compared to Chávez, Kirchner faced opposition within his own PJ and a more consistent challenge of centrist parties in important districts.

By contrast, Lula's moderation was eased by the fact that organized popular actors (such as the landless workers' movement [MST] and the labor movement represented by the Central Única dos Trabalhadores [CUT]) had solid historical and organizational linkages with the PT before he took office. Before taking power, Lula already enjoyed the support of a party with strong connections with organized lower-class actors and was less pressed than Chávez or Kirchner to court them through more radical policies. Likewise, Lula faced consistent challenges from moderate and center-right parties, which preserved a good share of the popular vote and legislative chambers in the context of a party system that did not collapse under neoliberalism (see chapter 13).

Conclusion

This chapter has made three general points. First, we have argued that the Kirchners' governments have navigated a middle ground within the Latin American Left in terms of their extent of popular-sector mobilization and of the challenges posed to the economic establishment. Second, we have argued that those challenges have been

more pronounced in the policy arena (particularly in areas such as regulatory, labor, and social policy) than in the mobilization arena, where the government prioritized alliances with the more moderate Peronist unions and social movements and limited those linkages to policy concessions and state positions rather than to the partisan sphere. In the electoral arena, the patronage machine of the PJ remained dominant. Finally, we have suggested that the sources of radicalism under the Kirchners' administrations, and perhaps in other leftist governments of Latin America, can be traced to the existence of prior organizational linkages to popular sectors by the Left in power and to the extent of party-system collapse at the time the Left took office.

As Levitsky and Roberts argue in the introduction, the Kirchner governments can be conceptualized as a leftist administration led by a populist machine. Important policy choices in the macroeconomic, regulatory, social, and labor arenas displayed a center-left and inclusive character. Political factions and economic groups associated with neoliberalism (especially private pension funds, international bondholders, and privatized companies), in addition to economically powerful rural producers, have been challenged by these policy initiatives. Yet the left-policy turn in Argentina has been based on a complex alliance crafted by the Kirchners based on the Peronist labor unions, the organizations of the unemployed, and the PJ, a traditional populist party effectively revamped into a national patronage-based organization in the 1990s. Unlike the situation in Venezuela, however, the Kirchners' concentrated authority over the PJ machine was exerted amid a political regime that was undeniably liberal-democratic.

NOTES

We are thankful for comments from Alejandro Bonvecchi, María Esperanza Casullo, Ruth B. Collier, David Collier, Tasha Fairfield, Neal Richardson, Javier Zelaznik, the participants at the Berkeley Political Science Department workshop on Latin American politics, and the participants in the volume seminar.

1. This chapter covers Néstor Kirchner's presidency (2003–7) and the first two years of that of his wife and successor, Cristina Fernández de Kirchner (2007–9).

2. See Database of Protest (1997–2003), in Garay 2007.

3. These included especially Federación Tierra y Vivienda (FTV), formed in 1998; Barrios de Pie; and Movimiento Evita (ME). Movimiento Evita gathered militants of Peronist national and popular currents, some of whom had previously belonged to other unemployed associations, and expanded rapidly after Kirchner came to power.

4. One example of these protests was the simultaneous blockade of 32 gas stations by unemployed groups in response to Kirchner's call for a "national boycott' of Shell, which had increased gas prices. This strategy was successful, and Shell eventually reversed the price increase.

5. Exchange rate overshooting after 10 years of nominally fixed parity led many orthodox

and IMF economists to predict hyperinflation. Many factors, however contributed to the low pass-through effect after the devaluation, including the government control of the prices of public utilities and public sector spending, the ongoing freeze of bank deposits that diminished liquidity, and the formidable excess of supply in the labor and goods markets (see Bonvecchi 2004; Damill, Frenkel, and Maurizio 2007, 13).

6. The Treasury and the public banks also intervened increasingly in the foreign exchange market to contain money creation. In order to alleviate the Central Bank intervention needs, the government imposed capital controls in an attempt to reduce short-term inflows; see Damill, Frenkel, and Maurizio 2007, 26. Despite sterilization, the money supply grew in a range from 1.5% to 1.9% of the GDP between 2003 and 2006 (Cetrángolo, Heymann, and Ramos 2007, 52).

7. On the Argentine public debt renegotiation under Kirchner, see Damill, Frenkel, and Rapetti 2005; Levy Yeyati and Valenzuela 2007.

8. Private sources estimated inflation for 2007 at between 18% and 20%. Owing to the government's politicization of the Statistics Department in the Ministry of Economy, official figures after 2006 were quite undependable.

9. For an interesting analysis of the political economy of the commodity- and soy-based export drive under the Kirchners in relation to past economic cycles in Argentina, see Richardson 2009.

10. These were the Argentine Rural Society (SRA), the most traditional organization, representing mainly big cattle ranchers and landowners; the Rural Confederations of Argentina (CRA), representing local and provincial rural associations; the Agrarian Federation of Argentina (FAA), representing medium and small farmers linked to export markets; and the association of farmer's cooperatives.

11. It should be noted that policy in this area had been managed by the executive branch, without constitutional objections, since the 1960s.

12. Vice President Julio Cobos belonged to a faction of the UCR that had joined the Kirchner electoral coalition but began to distance itself in the midst of the rural conflict.

13. For example, it threatened to revive the "Supply Law," a norm passed in the 1970s that punishes firms that retain production.

14. Many of these threats were issued by the feared secretary of commerce, Guillermo Moreno, a close aide to Kirchner with an inflamed antibusiness rhetoric.

15. In the Aerolíneas case, an alliance between the government and the company unions to undermine the private Spanish owners was evident.

16. For a more extensive analysis of government-union relations under the Néstor Kirchner government, see Etchemendy and Collier 2007, on which we base our present account.

17. This parameter, 19% in 2006, 16% in 2007, and 19.5% 2008, was negotiated by the government with the transport workers dominant in the CGT and served as a reference for negotiations in other sectors, indicating a modality of "patterned bargaining." In some sectors, however, unions managed to surpass that wage increase.

18. For a more extensive treatment of social policy, see Garay 2010, on which this section is based.

19. With respect to social services and infrastructure, under the Néstor Kirchner administration Congress passed a new education law that increased the education budget by 50%, setting a threshold of 6% GDP spending starting in 2010, and improved significantly teachers'

wages and social benefits. The Kirchner administration further launched a large-scale school infrastructure expansion ("750 schools"), while Cristina Kirchner initiated various measures to ensure high school completion, such as distribution of "netbooks" (personal computers) to all high school students in public schools and reforms in the curricula.

20. Social transfers underwent numerous changes in 2005. Between 2003 and 2008, the number of beneficiaries of all cash transfer programs declined by 22%. The main reason for this is that beneficiaries had moved into jobs (see Garay 2010).

21. The Programa de Emergencia Habitacional was one of the housing and social infrastructure programs expanded or launched under Kirchner. See Secretaría de Desarrollo Humano y Vivienda 2005.

22. Unemployment data from the Institute of Statistics and Censuses (INDEC), available at www.indec.gov.ar.

23. For a description of the system and its privatization, see Alonso 2000; Madrid 2003.

24. It should be noted that aside from pension privatization, reductions in payroll contributions further depressed pension revenue.

25. Data from the Administración Nacional de la Seguridad Social (ANSES), available at www.anses.gov.ar; data from the Administración Federal de Ingresos Públicos (AFIP), available at www.afip.gov.ar.

26. Pensioners are granted a minimum pension, out of which the state deducts a fixed installment for unpaid contributions.

27. For a more detailed discussion of pension expansion and pension coverage, see Garay 2010.

28. Elections were held in a context of political instability (see Zelaznik 2007). Three PJ presidential candidates ran for the presidency: former president Menem, former interim president Adolfo Rodriquez Saá, and Kirchner. Menem and Kirchner were the top two finishers in the presidential election. When surveys showed Kirchner winning the scheduled runoff by a landslide, Menem abandoned the race.

CHAPTER THIRTEEN

Brazil

The PT in Power

WENDY HUNTER

The Workers' Party in Brazil (the Partido dos Trabalhadores, or PT) started out in the 1980s as a mass-organic party that became increasingly electoral-professional in nature as it contested state power in the electoral arena. After 22 years in the opposition and three failed presidential bids, the Workers' Party and its effective leader, Luiz Inácio Lula da Silva, captured national executive office for the first time in 2002. Among leftists in Brazil and abroad, Lula's election inspired hopes for redistributive economic change, greater social equity, and more participatory and transparent government. At the same time it generated fears among economic and political elites. How do these groups view the Lula government and the PT several years later?

This chapter examines and analyzes the trajectory of the PT and of Lula over time. It traces and seeks to understand the PT's adaptation and explains how the changes it made allowed the party to eventually gain executive power. It also asks how the experience of holding national executive office reinforced the PT's adaptation since 2003. The chapter also explores how PT-led government policies shifted the support base of the party and of the president. It surveys several policy areas and asks whether and to what extent the measures implemented by the PT in government reflected the founding principles of the party or represented highly pragmatic adaptations to extant political and economic constraints.

Between its founding in 1980 and its assumption of national executive office in 2003, the PT struggled to advance at different levels of Brazilian politics. The party's most ideological face was seen in the Chamber of Deputies, where it experienced a slow but steady expansion over time. It was in this context that the PT launched and maintained a united opposition against the market-oriented policies of the Fernando Henrique Cardoso era, advocated a leading role for the state in economic development, and pushed for redistributive social change. At the municipal level, the party developed innovative practices to promote societal participation and governmental accountability, the best known of which was participatory budgeting. In legislative

and municipal politics, the party made ethical government one of its hallmarks. Lula put a face on the PT and gave it widespread publicity in his many races for the presidency. Although his image and proposals for government became less radical with each successive presidential bid (1989, 1994, 1998, and 2002), he clearly remained a candidate of the Left.

If the PT had a uniquely radical and innovative character for most of its life in the opposition, the Lula-led governments (2003–6 and 2007–present) cannot be depicted as such. In fact, they earned descriptions like "the third term of President Cardoso," or "leftism without a left project" (Tavolaro and Tavolaro 2007). The party itself has also changed. Just how thoroughly the PT has been transformed—in the images it projects, the policy orientations it holds, and the social linkages it maintains—is remarkable given its origins and previous commitment to transformative change. Indeed, in the 1980s and 1990s, the PT was clearly a model for the Latin American Left. In terms of economic and social policy, the PT-led government represents a case of social liberalism, along with Chile and Uruguay. It has also been solidly liberal democratic in nature, in contrast to the plebiscitary cases.

The chapter is organized as follows. First it provides a sketch of the PT's trajectory from a labor-based movement to an institutionalized and electoral-professional left party. After discussing the origins and background of the party, I examine and analyze the reasons for its adaptation over time. Political learning as a consequence of serious structural constraints is emphasized. The following section turns to the PT in national government. A brief survey of key areas—macroeconomic policy, executive-legislative relations, federal-level participatory schemes, land reform, social policy, and foreign policy—shows how cautious and conventional the Lula-led government was on most fronts. The analysis suggests that the compromises the PT made in order to capture power had a significant effect on the party's behavior in government. The continuing influence of macroeconomic constraints and political restrictions is also considered in understanding the administration's orthodoxy. In the conclusion I look at the implications of President Lula's policies on the electoral base of the government and the party. Whereas much of the PT's traditional base was left disillusioned, groups that benefited from federal programs became avid supporters of Lula. The fact that they have not necessarily become fans of the PT, however, raises questions about the party's long-term future. A final issue raised is whether the Lula-led administration was more cautious and pragmatic than it really needed to be. The expansion of the Brazilian economy and the tremendous popularity Lula enjoyed as president suggest that the government may have had more maneuvering room than previously thought to implement policies in line with its previous commitment to enhancing equity.

Overview of the Party's Trajectory

In 1980 labor leaders, Catholic activists, and urban intellectuals who opposed Brazil's military regime founded the PT. Struggling from the outside to gain access to the system, the PT had all the markings of an "externally-mobilized" party (Meneguello 1989; Keck 1992; Hunter 2007). Staunchly programmatic in its orientation, it promoted a form of socialism deemed appropriate to prevailing conditions in Brazil. Envisioning the use of state power toward the goals of economic development and management, the PT adopted transformative aspirations including a considerable redistribution of the country's wealth through policies such as massive land reform. While it called for socialism, the PT's endorsement of democracy was unequivocal. The party advocated new forms of societal participation in programs such as participatory budgeting. It also encouraged more activist participation in its own ranks ("basismo") than is observed in most socialist parties. A fierce commitment to stamping out corruption and promoting transparent ethical practices in government became one of the party's hallmarks. All in all, the PT was at its most distinctive before the mid-1990s. Front and center in the party's radical profile was its fiery symbolic leader Luiz Inácio Lula da Silva.

The PT differed from its catch-all counterparts not only in the transformative programs it advocated and the radical image it projected but also in its organizational attributes. Whereas most other Brazilian parties consisted of loosely tied regional groups with little ideological purpose or cohesion, the PT was a centralized hierarchical entity with two-way communication and organizational linkages between the local and national levels. And unlike most other Brazilian parties, which had weak ties to voters, the PT was committed to maintaining and further developing linkages with a variety of social groups. For most of the 1980s and 1990s, the PT was a very prominent example in Latin America of the new leftist strategy of promoting popular mobilization to deepen democracy and construct alternatives to its liberal variant. Like all parties that struggle to gain recognition and access to the system, the PT had high expectations of its candidates and elected officials. Candidates, whose selection was filtered through party organs, needed to agree that they would place the party above their own individual career interests. Elected representatives were expected to donate a sizable share of their incomes to the party and to vote with leadership directives or risk expulsion.

By the mid-1990s the PT had begun to undergo fairly significant shifts. While criticizing fiercely the market reform program enacted by President Fernando Henrique Cardoso, it softened the call for socialism and scaled back its most far-reaching demands for economic redistribution. Moving away from structural reforms but trying to keep alive its commitment to reducing inequality and alleviating poverty, party

members advocated measures like increasing the minimum wage, instituting a minimum-income program, and job creation. By 1998 the word *socialism* had disappeared from Lula's presidential campaign program. In the 2002 campaign, Lula pledged that he would honor existing agreements with the International Monetary Fund. No longer trying to shape public preferences in its own mold, the PT had begun to modify itself around existing contours in Brazilian public opinion. Part and parcel of becoming an "electoral-professional" left party was to hire pollsters to assess public attitudes and marketing consultants to help pitch the party's politicians toward them. Movement away from the previous "mass-organic" model entailed a de-emphasis on mobilization and detachment from radical organizations like the Movimento dos Trabalhadores Rurais Sem Terra (MST). The minimal grassroots presence in Brazil that Handlin and Collier observe in chapter 6 has roots in this process of normalization, one begun well before Lula even entered the presidency.

Pressures on various fronts prompted the PT to undergo these adaptations. The trend toward market reform in Brazil and abroad was difficult to resist by the mid-1990s. It was reflected not only in the leanings of international financial institutions but closer to home in Brazilian public opinion (Baker 2003, 2009). That the first Cardoso presidency (1995–98) was strongly associated with taming hyperinflation helped cement the public's acceptance of other reforms that were part of the stabilization and restructuring package. Indeed, where the market model unfolded and had positive associations, as it did also in Chile, promoting a radical critique of the market model lacked credibility and support. Once most of the PT leadership conceded that the party's previous transformative project would be virtually impossible to implement, it defined the winning of elections and pursuit of change on the margins as central goals. This reorientation caused the institutionally derived incentives of Brazil's political system to affect the party's decisions more than previously. Among the most important of these was the need to win an absolute majority of votes to be elected president, a provision that tends to induce candidates to move to the center of the political spectrum, as discussed by Jorge Lanzaro in chapter 15. This provision, which also affected races for governors and for mayors of large cities (those with more than 200,000 voters), had a similar effect. An additional and often cited reason for the party's growing pragmatism over time involves the political learning achieved by PT mayors in a wide variety of Brazilian municipalities (Nylen 2003; Samuels 2004). In sum, constraints that were structural in nature—economic imperatives and electoral incentives—induced a process of political learning to take place. After three failed presidential bids, Lula and his close associates insisted that the next presidential campaign reflect the lessons learned over the course of the previous 12 years.

Lula was elected president in 2002 because he was able to reap the benefits of the party's moderation against its history of difference. The PT's moderated profile

clearly broadened his electoral support base. At the same time, Lula's endorsement of mechanisms to regulate, tame, and thereby improve the market model spoke to voters' reservations about how well recent economic developments met their own needs. Going beyond the economy, his campaign also underscored the need to clean up corruption and clientelism and institute reforms to promote better government. By President Cardoso's second term, the Brazilian economy had fallen upon harder times. The Asian financial crisis and the devaluation of the currency, growing unemployment, stagnant real wages, and electricity failures that resulted in serious blackouts (which many Brazilians attributed to Cardoso's privatization policies) sank the president's popularity and opened the way for a candidate of change, however circumscribed. In light of this context, the election of Lula in 2002 falls in line with the editors' observation in the introduction about the role of the 1998–2002 economic downturn in explaining the initial wave of left victories in the region. Against the background described, Lula managed to strike an appealing balance between looking reasonable and retaining an alternative identity to neoliberalism, however vaguely defined. His opponent in the election's second round, José Serra from the Partido da Social Democracia Brasileira (PSDB), was too closely associated with President Cardoso and his administration to credibly present himself as a candidate of change. The organizational network that the PT had built over the course of two decades was also crucial in mobilizing support and maintaining momentum for the PT candidate throughout the campaign (Baker, Ames, and Rennó 2006).

The PT in National Government

If the PT experienced pressures to adapt while in the opposition, additional constraints hemmed it in after it gained control of the national government. The perceived need to remain in the good graces of the domestic and global business and financial communities, together with the difficult prospect of gathering sufficient legislative approval within Brazil's very fragmented Congress, weighed heavily on the PT-led government. Always one of several members of an ideologically diverse coalition, the PT never held more than 18% of all seats in the lower house of Congress. Accusations of vote-buying that surfaced in mid-2005 ultimately led Lula to calm the political waters by bringing more members of allied centrist and right-leaning parties into his cabinet, further limiting aspirations for far-reaching change.

These and related constraints caused the PT-led government to play it safe, seldom veering off the path of convention. On most dimensions—macroeconomic orthodoxy, social policy, social mobilization—the Lula government instituted less change than in the Southern Cone cases, as suggested by Huber and Pribble in chapter 5 on social policy and distribution in Chile and Uruguay. Its caution was especially marked

in macroeconomic management, which in turn restricted the funds available for major initiatives or significant extensions in social policy, including land reform. Enhancing participatory mechanisms at the federal level was not a priority, as underscored by Benjamin Goldfrank in chapter 7. The highest-profile innovations of the government were the Bolsa Família, a conditional cash transfer program thought to be the most extensive of its kind in the world, and a more Third World focus in foreign policy, especially trade diplomacy. While the Lula presidency should be given some credit for carrying out the party's historical goals of working on behalf of the poor (in the case of the Bolsa Família) and showing solidarity with other countries of the South, it is notable that neither of these two policies threatened privileged domestic groups in any fundamental way or challenged the commitment to tight fiscal management. Nonetheless, both allowed the PT to appear different from previous governments.

Continued Orthodoxy in Macroeconomic Policy

In macroeconomics there was striking continuity between the policies of the Cardoso presidency and those of the Lula government. Numerous analyses underscore the similarities between the two presidents in this regard (e.g., Amann and Baer 2006; Amaral, Kingstone, and Krieckhaus 2008; Kingstone and Ponce 2010). The constraints present in this area limited the expenditures and room for maneuver available in others. The choices that the Lula administration made (e.g., preferring to maintain macroeconomic stability with low inflation rates rather than stimulate growth and employment) are not tradeoffs typically made by leftist governments.

Lula shifted dramatically toward economic orthodoxy in the months leading up to his election. While moderation had begun earlier, 2002 represented an inflection point (Samuels 2004; Hunter 2007). Lula published the now well-known "Carta ao Povo Brasileiro" (Letter to the Brazilian people) in June 2002 when it became obvious that financial markets were reacting in a volatile fashion to his likely electoral victory (Jensen and Schmith 2005). Effectively directed to the domestic and foreign investment community more than to ordinary citizens, the letter pledged to sustain many of the Cardoso-era economic policies and to honor the agreement that Brazil had previously struck with the International Monetary Fund. Adjustments such as these that were made while the PT was still in the opposition affected its eventual behavior in the government.

After being elected, Lula quickly signaled his commitment to low inflation and to economic orthodoxy in general by choosing Henrique Meirelles, a prominent market-oriented economist, to head Brazil's Central Bank. Major figures from the world of business and agro-industry were appointed to lead the important ministries of industry and agriculture. While Lula balanced such appointments by bringing

into the cabinet other individuals with leftist credentials, such as the minister of the environment, longtime *petista* Marina Silva, budgetary constraints and pragmatic political considerations greatly restricted their actions. The PT-led administration continued to set financial interests at ease by such measures as maintaining the tight monetary policies of the Cardoso government and running a large fiscal surplus, even exceeding the fiscal targets stipulated by the International Monetary Fund (IMF). The establishment of inflation-targeting as a central priority, the maintenance of high interest rates, and fiscal tightness in general signaled a strong commitment to market reform and international competitiveness. The average rate of inflation under Lula (7.2% from 2003 to 2007) was lower that that achieved under the Cardoso government (14.9%). Part of the inflation reduction stems from the fiscal surpluses achieved. Lula even pursued pension reform—over the vociferous objections of important historical constituencies within the PT—to advance a structural reform agenda. The government's openness toward trade and international capital was without question. In short, policies were market-conforming and in line with advancing the process of reform begun in the early 1990s. By 2008 and 2009, Brazil received "investment grade" status by agencies such as Standard & Poor, Fitch, and Moody's.

Social spending was restricted as a consequence of such an orthodox orientation, but Lula's economic team tried to convince critics that the welfare of Brazilians would ultimately be best served by economic growth, itself advanced through fiscal and monetary stability. Fortunately for the government, the next few years brought rising commodity prices for major Brazilian exports, such as soy, soy oil, wood, iron ore, and steel, which in turn yielded income benefits for many. Together with the strong foundations of economic progress established by President Cardoso, this very favorable international environment helped to boost economic growth. Brazil's exports increased 105% from 2004 to 2008 (Ernst and Young 2009, 8). China was Brazil's second and fastest-growing export market. Most of Brazil's export success clustered around natural resource and agricultural commodities. The country's economy grew at an annual average rate of 4.1% between 2003 and 2008, compared to 2.3% under Cardoso. Notably, driven by agricultural exports, the growth performance of Brazil's poorer northern and northeastern regions in recent years has been on par with that of the wealthier southern and southeastern regions.

These economic changes contributed to significant social changes. Accompanying economic growth were considerable increases in the minimum wage. Whereas the average minimum wage was 267 constant R$ between 1995 and 2002, it rose to 371 constant R$ between 2003 and 2008 (Kingstone and Ponce 2010, 113). Growth allowed Brazilians to increase their per capita income at an average annual rate of 2.32% between 2003 and 2007, a rate appreciably higher than the 0.76% registered during Cardoso's presidency. Average monthly income increased across all social groups

(Ernst and Young 2009, 5). The proportion of the population living below the poverty level fell from 35.69% in 2003 to 22.70% in 2007, and the proportion living below the level of indigence (extreme poverty) was halved in these same years, falling from 15.15% to 7.95%. There is even evidence that the Gini coefficient fell (from .583 in 2003 to .556 in 2007).[1] Very notably, on a scale that measures the distribution of income from A to E, data suggest that 20 million Brazilians who once belonged to the social classes D and E migrated to class C (Kingstone and Ponce 2010, 105). A related development was an increase in the formal-sector labor market, as marked in the poorer states of the North and the Northeast as in the more developed southern part of the country (Montero 2009, 5). One key benefit of being employed in the formal sector is eligibility for social security benefits.

These positive developments in Brazil's economy gave the Lula government a lucky break. As noted elsewhere in this volume (the introduction and chapters 2 and 4), the availability of new resources made it possible for the government to provide material improvements to large numbers of people (including those from lower income and education brackets) without having to raise the specter of challenging property rights or implementing highly controversial redistributive measures.

A Modest Effort in Land Reform

Reflecting an avoidance of controversial measures, the record of the Lula government on land reform was modest at best. It was inferior to that of the Cardoso administration in terms of the extent of land redistribution and the quality of infrastructure and services provided to settler families. Given the PT's long-standing advocacy of reforming Brazil's deeply unequal landholding structure and its well-established ties with the landless movement (the MST) it is somewhat surprising that more effort was not made in this area. While Lula's initial appointments included individuals who had shown a commitment to land reform and enjoyed support from the activist community (the MST and the PT's Comissão Pastoral da Terra), the aftermath of these appointments brought less than expected.

The government settled a fair number of families, but most of the land used for this purpose came from existing settlements (public land) rather than newly expropriated land from private underutilized plots. Inactivity was particularly pronounced in 2007, when expropriated lands amounted to less than one-third the annual average of the first mandate (2003–6). Similarly, 2007 ended without the government acting on a proposal to update indexes of productivity, which would have increased the amount of land considered unproductive and thereby would have justified further expropriations.[2] While placing settlers on existing public plots, instead of adding new holdings to the total stock of land available to the landless, represented a certain advance, such

an approach did little to alter the highly unequal distribution of the agrarian structure in Brazil. The credit extended to new settlers of land reform was also quite restricted. Compared to the situation under the Cardoso government, only a small minority received credit each year under Lula. This was but one source of friction between the MST and the PT government. As a percentage of federal spending, expenditures by the agency in charge of agrarian reform issues, Instituto Nacional de Colonização e Reforma Agraria (INCRA), were less under Lula than under Cardoso, a fact compatible with the tightness of Lula's fiscal policy in general (Ondetti 2006, 2008).

Why did so little progress occur under Lula, especially since the preceding center-right coalition with strong ties to landowners and no history of commitment to land redistribution achieved so much more? In fairness, it should be understood that the Cardoso government expropriated many of the most obvious properties and left the more difficult areas for the future. Also, land values were higher under the Lula government because of the international commodity boom for crops that Brazilian agribusiness produces so successfully. High land values make land reform more expensive, since the owners of expropriated estates must be compensated (in bonds) at the market value of their property. Nonetheless, it is safe to say that Lula sought to play it exceedingly safe in this area that was once a PT banner. He extended his policy of distancing himself from the landless movement (a stance begun in the late 1990s and accentuated in the 2002 presidential campaign), to the point of even avoiding meeting with its leadership in 2006 and 2007.[3]

One could reason that the PT lost interest in land reform, given the capital- and technology-intensive nature of agricultural production in the country. Yet why this would suddenly occur after 2003 begs explanation. Also, presumably President Cardoso did not see land reform as the future of agriculture in Brazil, but nonetheless his government distributed a fair amount of land. No doubt the intensity of Lula's interest in demonstrating market-friendly credentials, coupled with the small returns of land reform at the present time, led him to take the pragmatic position of not upsetting the apple cart. Needless to say, activist groups became ever more disillusioned with the government's stance toward the land-reform issue. But given the difficulties that the MST experienced in mobilizing the rural poor on its side—owing to better employment prospects, the Bolsa Família,[4] and the high popularity of Lula—there was no immediate reason for the Lula government to veer off this course.

A Mixed Record in Social Policy

The PT-led government assumed a fairly conventional approach within the traditional ministries responsible for social policy. The situation in Brazil fell short of the financial and political commitment that left governments in Chile and Uruguay

made in social policy, as described by Huber and Pribble in chapter 5. The lack of far-reaching reform experienced in this area resulted from limitations imposed by orthodox economic policies in the context of a broader commitment to moderation and a perceived need to compromise with centrist and conservative parties because of institutional constraints. Expenditures for health, education, and social policy in general remained restricted, especially in the first Lula government. This was not surprising, as one-third of the expenditures cut to reach the initial fiscal surplus target affected the social area. Social policy funding as a percentage of total federal government expenditures increased slightly, from 23.5% to 26.5%, over the four years of Lula's first government. Yet most of the three-percentage-point increase was taken up by social security, whose leap (from 16.6% to 18%) was inherent in the system rather than subject to government discretion. The other major hike came from social assistance, which went from 1% of the federal government budget to 1.8%. As discussed below, the income transfer program that benefited from this increase was not particularly radical in intent but nonetheless expanded social citizenship rights. Importantly, spending on education actually declined (from 1.62% to 1.48%), and spending on health held roughly even (from 3.10% to 3.38%).[5]

It is striking that so little occurred in the established ministries of education and health, where restructuring spending patterns and developing key programs have the potential to make a major difference in the welfare and quality of life of poor people. While extending preexisting programs and instituting modest new ones, the PT-led government made no major effort to reallocate existing funds to produce more progressive social effects in these areas. It continued the trend toward increased school enrollments, improved literacy and better basic health among the very lowest income groups, and prevented some of the most marked regional disparities from widening further. Yet imaginative and innovative social policy reforms of the kind that marked the PT in its earlier days in municipal government did not emerge. The combination of fiscal constraints and the manifest desire to avoid challenging vested interests apparently inhibited the government from instituting major redistributive reforms in the key ministries of education and health.[6]

Social Assistance: The Conditional Cash Transfer Program, Bolsa Família

Whereas the Lula-led government followed an orthodox macroeconomic policy and did little to institute major structural reforms in traditional social policy areas, it did make an important mark in social assistance, thereby justifying its placement in the category of "social liberalism" used in this volume. The conditional cash transfer program, Bolsa Família, was Lula's highest-profile social program. It received widespread

attention and acclaim, both domestically and internationally. Social assistance was one of the few social areas that enjoyed an increased share of the budget after 2003. The program gave Lula a strong base of support among the poorest sectors of society, those whose votes had eluded him in previous presidential contests but came through amply in his October 2006 reelection. By the time of that election, the Bolsa Família was benefiting approximately 44 million of Brazil's poorest citizens.

The Lula government formed the Bolsa Família by folding together previous programs and creating a single registry of poor families. The program is highly targeted: upwards of two-thirds of recipients are extremely poor. Most of them lived on less than a dollar a day before receiving the program. The Bolsa Família grant can more than double the household income of a family living in extreme poverty. It establishes a minimum social safety net for families with children. The program is conditional: beneficiaries are required to send their young children to school and must observe basic preventive-medicine practices.[7] The goal is to keep the needy from falling below subsistence levels while at the same time enhancing human capital formation. The Ministry of Social Development (MDS) administers the Bolsa Família in conjunction with Brazil's municipal governments, which are in charge of monitoring whether recipients meet the specified conditions. Beneficiaries are concentrated in states of the Northeast and the poorest sections of Minas Gerais. The decline in poverty and the slight reduction in income inequality that Brazil has experienced in recent years are due in part to the Bolsa Família (Soares et al. 2006; Soares, Perez Ribas, and Guerreiro Osório 2010). As mentioned above, other policy changes enacted under the Lula government, such as minimum wage hikes and investments in favorable export sectors, have been important in producing higher living standards as well.

Notably, the Bolsa is technocratic, not grassroots, in its origins. Cost-effectiveness is an important basis of the Bolsa's appeal among technocrats, politicians, and international donors. The program provides minimal social protection to the poor within reasonable financial limits and does not challenge well-established social protections to the middle and upper classes or provoke negative reactions from the political Right. The World Bank, the Inter-American Development Bank, and the International Monetary Fund praise the large "bang for the buck" the program reaps. The Bolsa constitutes only 2.5% of all government expenditures (and 0.5% of Brazil's GDP), which is a very small share compared to a pension system that consumes over 20% of government expenditures and well over 4% of GDP (Leite 2006, 47–57). Stated somewhat differently, the Bolsa accounts for just 2.3% of direct monetary transfers, compared with the 82% taken up by pensions (Hall 2006, 692–94).

At the same time, politicians affiliated with left-of-center parties embrace the Bolsa for broadening social inclusion. Making the Bolsa Família a central part of Lula's reelection strategy was a cost-effective and politically savvy strategy. In this connec-

tion, it should be remembered that his popularity lagged in the wake of corruption charges that surfaced in 2005. A year before the October 2006 election, opinion polls suggested that Lula might encounter trouble in getting reelected. The party's malfeasance appeared most troubling to voters of higher income and education levels. Concentrated in the southern and southeastern regions, these were precisely the kind of people who had formed the most solid backing for Lula in previous elections (Fundação Perseu Abramo 2006; Hunter and Power 2007, 11–14). Poorer and less educated Brazilians were less likely to retaliate against Lula and support the opposition candidate, either because they were unaware of the scandals, they exempted Lula from them, or they cared more about concrete material issues. Together with the Bolsa, the sizable minimum wage hikes discussed above had expanded significantly the purchasing power of the poor.

Expanding the incomes of the poor paid off. Lula received overwhelming support among Brazilians from the lowest brackets of income. Between 60% and 85% of all valid votes went to Lula in the poverty-stricken northern and northeastern states. Yet, accompanying the intensified support among the extremely poor was an erosion of backing among voters at higher levels of income and education, who are concentrated more in the southern and southeastern regions. Indeed, the 2006 election represented a significant shift in the composition of Lula's electoral base, even since 2002. In short, it was the Bolsa, enacted through the control over executive power and federal resources, that finally enabled Lula to consolidate support among the social sectors that he had previously (and much less successfully) tried to attract with the promise of redistributive structural reforms (Hunter and Power 2007, 17–21).

The electoral dividends that the Bolsa paid to Lula are beyond dispute. More questionable are other issues. The first has to do with whether conditional cash transfers like the Bolsa are an effective way to address poverty and build human capital in the long run or whether they permit the government to avoid restructuring social programs in ways that would make a more fundamental impact on welfare and equity enhancement. While the Bolsa mitigates poverty in ways that are most compatible with short-term political and fiscal considerations, it would not be advantageous for the future if this occurred at the expense of longer-term social investment. The second concern involves the possibility that the Bolsa program strengthens a clientelistic-type mentality and political submissiveness on the part of beneficiaries. This would undermine even further the PT's historic role as an agent of social mobilization. As reflected in the comparatively low grassroots presence, as noted by Handlin and Collier in chapter 6, the party has already compromised its earlier aspiration to use organization and collective political voice to promote a transformative project.

At the same time, however, the Bolsa Família has significant potential to boost ideals of social citizenship. For the first time ever, a federal program brings many of

the poorest Brazilians into the social safety net of the state. It does so in a bureaucratic fashion based on strict means testing, rather than criteria of political behavior. Unlike many previous programs, there are no local political intermediaries who decide whether or not people receive the program based on their political loyalties. Also representing a significant social advance is the fact that the program is directed to those in the informal sector. Most of the benefits of Brazil's welfare state prior to the Bolsa Família went to individuals in the formal sector of the economy or those connected with the state, such as civil servants and the military. That the program is well targeted and works in a clean, efficient, and regular fashion—giving poor Brazilians a material basis to help insulate them from the kind of destitution that makes poor people vulnerable to engaging in patron-client relations—represents a significant step toward social liberalism.

A Poor Record in Deepening Participation and Clean Government

If the PT in opposition had made a substantive commitment to pursue redistribution for the poor, it also endorsed procedures to incorporate popular participation in decision making. The embrace of popular participation is best exemplified by the implementation of participatory budgeting schemes in PT-governed municipalities. By having ordinary citizens establish annual investment priorities over a portion of the municipal budget, the PT hoped to fulfill a wide range of goals: to strengthen its connections with civil society, promote outcomes that favored the interests of poorer residents, create a more democratic political culture, and even tame the demands of the most highly organized interests (e.g., unions) by mobilizing others less privileged. These goals were achieved with varying degrees of success (Abers 2000; Baiocchi 2003; Goldfrank 2003; Nylen 2003; Wampler 2007).

In addition to stimulating popular participation, the PT sought to promote transparency and accountability in its municipal administrations through measures like forcing open bidding for municipal contracts and doing away with secret voting in local governments. Along with these efforts at the municipal level, PT legislators at the federal level worked to expose guilty parties and hold them accountable in certain national corruption scandals. The most visible of these involved actions surrounding the parliamentary investigative committee (CPI) that led ultimately to President Fernando Collor de Mello's impeachment in 1992.

Thoroughly liberal democratic in orientation, the Lula administration did not extend the PT's prior commitment to participation or to clean government. Given the party's previous profile in that respect, it is striking how little of that earlier vision unfolded in national-level politics after 2002. Before Lula took office, there were calls for a federal participatory budget, but practical difficulties and other demands

and responsibilities quickly sidelined that discussion. The Plano Plurianual (PPA), or Multiyear Plan, was one policy instrument that held promise for enhancing societal input and participation on national investment priorities. Its formulation potentially gave various actors—representatives from diverse civil society organizations in all the Brazilian states, along with governors, mayors, and state legislators—the opportunity to meet with relevant ministers to discuss long-term development priorities and how they should be incorporated into the national government's budgetary plans. The language was clearly one of participation.[8] Yet the executive and the Congress modified almost beyond recognition parts of the multiyear plans that were formulated with greater societal input (Baiocchi and Checa 2007, 420). Chapter 7 in this volume provides additional details on the failure to "scale up" to the national level the PT's previous emphasis on participation at the local level.

More disconcerting to most people than the lack of participatory institutions were the corruption scandals uncovered since 2003. The most consequential scandal was the *mensalão,* which involved vote-buying among allied legislators in order to gain approval for key pieces of government legislation. The rationale for buying votes has structural roots in Brazil's fragmented party system. Given that the PT made up less than 18% of the lower house of Congress, it needed support from other parties to pass legislation. The way this is generally accomplished is to bring allied parties into the cabinet, forming what is known as "presidencialismo de coalizão." The normal exchange is that the president appoints ministers on the basis of estimates regarding how many votes they can bring in through relevant party, state, and regional ties. Ministers dole out patronage in exchange for building a congressional support base for the president. The problem under the first Lula government was that more ideological *petistas* blocked such an opportunistic appointment system, one that would dilute the party's program. Short of votes as a result, Lula resorted to buying them. Revelations of the government's vote-buying led to the spilling of secrets that the PT had managed to keep under wraps, including that of the "caixa dois" (second cash till) scheme that it had conducted since 1994 in municipalities it governed. In order to raise campaign finances, PT mayors in city halls across Brazil had skimmed off and diverted kickback money from firms that had been awarded municipal contracts for services such as garbage collection and transportation.

Needless to say, such scandals eroded the PT's image as the party singularly above wrongdoing (Fundação Perseu Abramo 2006). Violating the banner of ethical government led to the departure of a number of figures who had been with the party since its founding in 1980. Further demobilization of the militant base has ensued. Lula's response to the *mensalão* scandal was to rise to the constraints of the system and do what Brazilian presidents before him had done: appoint more cabinet ministers from other parties. The single most consequential change was to bring in more individuals

from the opportunistic and nonprogrammatically oriented Partido do Movimento Democrático Brasileiro (PMDB). Needless to say, their centrist and even right-leaning tendencies have further diluted the programmatic aspirations of many *petistas.* In short, the PT-led administration has proved unable to provide an alternative to the pattern of coalition building that characterizes most Brazilian governments.[9]

Foreign Policy

If the Bolsa Família increased the Lula government's support among the poor and unorganized, foreign policy appealed to the PT's ideological base in the wake of complaints that it had left behind the party's founding ideals. Developmentalist, nationalist, and South-South in orientation, the government's foreign policy allowed Lula and his *petista* allies to retain some aspects of their identity as members of a progressive party of the Left, compensating in part for their orthodox economic orientation and diminishing progressive credentials on the domestic front. Foreign policy was also an area in which they were able to draw on years of linkages forged through international labor politics, the party's global recognition in progressive circles, and previous ties with left-wing parties and figures such as the Alianza in Argentina and the Frente Amplio in Uruguay and, after 1998, with Venezuelan president Hugo Chávez (Almeida 2004, 2006; Hurrell 2008; Cason and Power 2009).

Leadership of initiatives with blocs of less developed countries is not new in Brazilian foreign policy. Yet the previous South-South orientation had undergone a period of lag. One of Cardoso's objectives in foreign policy was to move away from the Third World orientation of previous presidents and pay central attention to Brazil's relations with the United States and international financial institutions, as well as to its relations with South American neighbors. Lula reemphasized the creation of linkages and alliances with the developing world, reaching out to countries in Asia, Africa, and the Middle East. His government sought to use these strengthened relationships with other developing countries to increase its bargaining power in economic negotiations with advanced industrial countries. Unlike Hugo Chávez, however, Lula did not launch a frontal attack on U.S. leadership or make a decisive break with major international institutions.

Personnel decisions made early in Lula's first term indicated the reorientation he would undertake in Brazil's foreign policy. He appointed Samuel Pinheiro Guimarães as secretary general of the Ministério das Relações Exteriores to work closely alongside career diplomat minister Celso Amorim. In 2001 President Cardoso had dismissed the former from his position within the Foreign Ministry for being too outspoken in his views against the Free Trade Area of the Americas (FTAA). Needless to say, it was quite a symbolic statement for Lula to bring him back in such a leading position.

Special Adviser to the President on International Affairs Marco Aurélio Garcia was the third core member of Lula's foreign policy team. A veteran *petista* who spent several years in exile in France as well as Cuba, he was secretary of international relations for 10 years while the PT was in the opposition. Notably, precisely because he was not a representative of the Foreign Ministry, Marco Aurélio Garcia had more flexibility in negotiating with groups with whom Brazil's government did not have formal relations. The presence and influence of such a partisan figure at the center of Brazilian foreign policy was distinctive of the Lula government.

Upon assuming office, the government quickly went to work in the area of multilateral trade negotiations. In 2003 Brazil, India, and South Africa formed within the World Trade Organization (WTO) a coalition of developing countries, the Group of 20 (G20), which was intent on dismantling the extensive web of tariffs, quotas, and subsidies used to support U.S. and E.U. farmers. The G20 made its debut at the WTO meeting in Cancún, Mexico, in September 2003. Aside from stewardship of the G20, the South-South orientation of the PT-led government's commercial diplomacy was also evident in its strong resistance to the U.S.-inspired proposal for a hemisphere-wide trade agreement, the FTAA. Many in the government regarded the FTAA as a threat to Brazil's industrial base, as well as to its policymaking autonomy and political influence in the hemisphere. While opposing the FTAA, the Lula government sought also to strengthen the Southern Common Market (MERCOSUL) as a collective instrument for bargaining on better terms with advanced industrial countries (Ondetti and Rhodes 2007).

Why did the Lula government decide to retain a left-leaning approach in the area of foreign policy and trade diplomacy after becoming more moderate on so many other fronts? In brief, the costs of maintaining such a stance were not very high. As far as domestic costs were concerned, the implications of strengthening South-South relations were relatively low. Notwithstanding some objections by commercial interests to the protectionist concessions the Lula government had to make to cement the G20, the overarching goal of that alliance corresponded to a central objective of Brazil's agribusiness elite: to liberalize the farm policies of affluent countries. The president's promotion of trade missions to Asia, Africa, and the Middle East at a time of tremendous export boom made a traditionally *petista* approach to foreign policy compatible with business interests. Regarding the FTAA, Brazilian industrialists have always been leery of the potential negative impact that such an arrangement would have on the country's manufacturing sector. In addition, the fiscal costs of a progressive strategy in the foreign policy area are quite minimal. Unlike many of the domestic programs championed by PT activists, Lula's Third-Worldist trade diplomacy put no obvious pressure on the federal budget. Moreover, there is little evidence that Brazil faced strong U.S. pressures for its trade policies. The United States and other Western

powers may well give Brazil more leeway to the extent that it is seen as a moderating and mediating force in a region whose leaders include Hugo Chávez in Venezuela and Evo Morales in Bolivia (Hurrell 2008, 56).

In sum, it is in foreign relations and international trade politics that the Lula government most resembled the historical discourse of the PT, one centered on reducing inequalities of power and privilege among countries in order to combat global poverty and enhance the sovereignty of Third World nations. In these spheres, President Lula salvaged some claim to promoting a leftist project and retained a degree of credibility among more ideologically motivated followers, yet without antagonizing powerful political and economic interests.[10]

Conclusion

The central policies of the two Lula governments were a far cry from what the PT had promised in its opposition role. Whereas structural reforms to develop the economy and redistribute Brazil's substantial wealth characterized the party's program well into the 1990s, conforming to market dynamics were the order of the day in recent years. Macroeconomic policy displayed marked continuity with the model of market reform set in motion in the early 1990s. In social policy there were few innovations or significant extensions, notwithstanding the popular income transfer program Bolsa Família, which does much to extend social citizenship as well as alleviate poverty. Similarly, pragmatism defined the political style and model the government followed. Participatory formats were not successfully "scaled up." Expedience ultimately won out in the methods the president chose to gather legislative approval. Foreign policy assumed new directions, albeit ones that were largely market-conforming in character. Nevertheless, the focus on enhancing the position of developing nations in the international economic order resonated with the PT's historical discourse. The overall logic of the package of policies described is that the advances made rested on staying well within fiscal limitations and not threatening privileged interests.

What then does the marked pragmatism of the PT in power say about the prospects for a committed left party with strong social linkages to enter the electoral arena, compete for executive office, and govern within the constraints of global markets and national-level institutions? Does it suggest that left parties need to conduct themselves in such a moderate fashion to win elections, calm markets, and govern with reasonable success? Since the example of the PT carries enormous regional weight, the answer to this question has implications that go well beyond Brazil. Indeed, in terms of being a model for the Left, Lula's PT-led government was arguably the most important leftist government in Latin America since that of Salvador Allende in Chile (1970–73).

On the one hand, a quick reading of the situation would suggest that such a strategy is advisable. Undeniably, the Lula period oversaw significant improvements in leading economic indicators, including poverty rates, which in turn translated into high approval ratings for Lula and his government. Polls carried out in the second Lula administration consistently showed the PT-led government enjoying a positive approval rating that hovered around 70%. Lula's personal approval ratings tended to be even higher than those of his government. The solid economic performance of the Lula presidency resulted from a combination of factors, crucial among which were a commitment to continuing the orthodox policies of the Cardoso period and enjoying good international circumstances while they came to fruition. The policies and the positive results yielded might suggest that future PT governments, as well as the PT as a party, would be wise to "stay the course" and remain within the constraints observed under the Lula presidency. After all, why back away from a set of policies that yielded growth, kept inflation at bay, diminished poverty, and generated popularity for the government and its leader?

On October 31, 2010, Brazilians went to the polls and elected as their next president PT candidate Dilma Rousseff. She won in a runoff election with 56% of the vote against her competitor from the PSDB, José Serra. Rousseff's voting base was remarkably similar to that of Lula in his 2006 reelection bid. Lula's former chief of staff, Rousseff benefited greatly from the years of prosperity that marked the two governments of her political mentor and sponsor. Lula went all out to support her election and successfully transferred his charisma and high public approval to her. Will Rousseff depart from or continue the policy trends followed by her predecessor? Although she has a history in leftist politics—a profile that includes being tortured and imprisoned under the military regime—and is thought to be somewhat more statist in her preferred economic orientation than many of the figures responsible for decision-making under the Lula governments, she will no doubt be hemmed in by a number of factors. Beyond the typical economic constraints that affect left governments in the contemporary era, one of her challenges will be to lead a heterogeneous coalition government in which the vice presidency has been given to the catch-all PMDB. Many of the previous deals made with the PT's political allies to ensure the strength of her candidacy may well also come back to haunt her government in the form of demands for positions and policies. Should Rousseff's government sustain the moderate policies pursued by the Lula government and should the PT undergo further normalization, the less the party will be able to call upon its militant base as a source of energy, mobilization, and sacrifice, factors that proved so crucial in the PT's rise and development.

NOTES

1. See Instituto de Pesquisa Econômica Aplicada, Presidência da República, Brasília, IPEAData, www.ipeadata.gov.br.

2. "Em 2007, Lula tem pior ano em desapropriação de terras," *Folha Online,* January 7, 2008.

3. "Presidente Lula não é convidado para congresso do MST," *Folha de São Paulo,* June 12, 2007.

4. "Popularidade de Lula deixa MST em crise, diz 'El País,' " *Folha Online,* June 14, 2007.

5. This picture remains the same when education and health expenditures are measured as a share of GNP. For budgetary data, see Tesouro Nacional, Brasília, Ministério da Fazenda, www.stn.fazenda.gov.br/contabilidade_governamental/gestao_orcamentaria.asp.

6. See Hunter and Sugiyama 2009 for a discussion and evidence of these points. For data on social indicators, see also Instituto de Pesquisa Econômica Aplicada, Presidência da República, Brasília, IPEAData, www.ipeadata.gov.br.

7. For details on the program, its eligibility requirements, and its method of operation, see Lindert 2006; Ministério do Desenvolvimento Social 2006.

8. See Participação e Inclusão, Brasília: Ministério do Planejamento, Plano Brasil, www.planobrasil.gov.br.

9. A more extensive analysis of this issue can be found in Hunter 2010, chap. 6.

10. See Hunter 2010, 156–59, for more detailed information on foreign policy under the Lula governments.

CHAPTER FOURTEEN

Chile

The Left after Neoliberalism

KENNETH M. ROBERTS

Within Latin America's post-1998 political shift to the left, Chile anchors one end of the spectrum along a number of crucial dimensions. On the policy front, the Socialist-led governments of Ricardo Lagos (2000–2006) and Michelle Bachelet (2006–10) were undoubtedly among the most cautious and moderate in the region. They maintained relatively orthodox fiscal, monetary, and trade policies, while working to reduce poverty and expand social citizenship rights within the constraints of Chile's market economy. Likewise, both governments strictly adhered to the norms and procedures of representative democracy; rather than mobilize popular majorities behind plebiscitarian challenges to the established order, they promoted constitutional reforms through legislative means to eliminate restrictions on the democratic process left behind by the military dictatorship of Augusto Pinochet. Their technocratic approach to governance, however—combined with a strong desire to reassure Chile's dynamic and powerful business community—left little role for popular participation in the political process outside the electoral arena. Chile, then, offers a paradigmatic case of a Left that has embraced the policy orientation we call social liberalism, along with a liberal democratic approach to governance. This combination helped to maintain political and economic stability, but at the price of abandoning commitments to more far-reaching change.

As this chapter suggests, there is nothing surprising about the behavior of the Chilean Socialist Party (PSCh) in power. The cautious pragmatism of Socialist leaders had deep roots in the path they took to power and the strategic context in which they operated—a context that created an unusually restrictive set of opportunities and constraints, both institutional and economic, on more radical alternatives. The PSCh neither sought nor received a mandate for radical political or socioeconomic change, and it surely would have paid a steep political price had it pursued such a course (as did its former allies in the Chilean Communist Party). What is striking, then, is not so much the moderate profile of the Lagos and Bachelet administrations,

but rather the depth and breadth of the transformation that has occurred within Chilean socialism since the early 1970s, when the Socialists anchored the more radical wing of Salvador Allende's Popular Unity government, a wing that advocated rapid socialization of the means of production and revolutionary forms of "popular power" to help bring it about.

This prior governing experience, a rarity among the left parties and movements that came into power during Latin America's post-1998 "left turn,"[1] played an instrumental role in the transformation of the PSCh and its role in Chilean politics following the 1990 democratic transition. The tragic and violent ending to Allende's experiment in democratic socialism triggered a self-critical reassessment of the Socialist Party's radicalism, the first step in a wrenching process of ideological renovation that eventually broke with revolutionary Marxism, highlighted the democratic and reformist character of the socialist project, and stressed the need to build broad social and political majorities behind any agenda for change. This ideological renovation was reinforced by the brutal repression of the Pinochet dictatorship, which nearly extinguished the PSCh as an organized political force and thus gave the party a new appreciation for the role that democratic institutions can play in managing conflict, reconciling competing interests, and safeguarding essential political rights and liberties. In practice, this ideological renovation meant that the PSCh made the restoration of democracy the centerpiece of its political project in the 1980s—and to this end it built a new strategic alliance with the centrist Christian Democratic Party (along with several smaller centrist and leftist parties) to challenge the military dictatorship. Ultimately, the PSCh was an architect of Chile's democratic transition and a central player in the new democratic regime that replaced the dictatorship in 1990.

Given this historical experience, the Socialist Party's return to power followed an institutional path, one that professionalized the party organization and made its political leadership integral members of the democratic political establishment. Indeed, in comparative terms, the PSCh was arguably the most institutionalized and professionalized of the leftist parties to capture national executive office during Latin America's "left turn." Similarly, the PSCh rose to power and governed in an unusually restrictive institutional context that included high levels of both regime and party-system constraints. This institutional context was one of the primary legacies of the Pinochet dictatorship, which went to elaborate lengths to ensure that institutional checks on the exercise of popular sovereignty would be built into any potential regime transition. Finally, the Chilean Socialists came to power in the aftermath of Latin America's longest, deepest, and most successful experiment with neoliberal restructuring—a veritable market revolution that fundamentally transformed the social landscape on which the PSCh had to compete for power and develop its political and economic alternatives (Martínez and Díaz 1996). This market revolution, another legacy of the

Pinochet regime, allowed the PSCh to mobilize electoral support among voters who favored redistributive policies or expanded social citizenship rights, but it weakened organized labor and other forms of social mobilization that might have created political leverage for farther-reaching social and economic reforms.

Taken together, these factors shaped and constrained the Chilean Left's path to power in the 1990s, as well as its behavior in public office. If anything, the Socialists' policy moderation and their liberal democratic approach to governance appear overdetermined by the confluence of historical, institutional, and structural influences that all point in the same direction. This chapter explores these influences on the development of the PSCh and places the party in a broader comparative perspective to help explain why it governed as it did.

Old Party, New Agenda: Chilean Socialism from Allende to Lagos and Bachelet

By the standards of Latin American party organizations, the Chilean Socialist Party is a notable survivor. At a time when many other leftist and populist parties disappeared or entered into seemingly permanent decline, the PSCh weathered both the brutal repression of the Pinochet regime and the socioeconomic dislocation of Latin America's most far-reaching neoliberal revolution. Indeed, among the new governing leftist parties in Latin America, only the PSCh has a historical identity as a party of the Left with roots in the mid-20th-century era of import substitution industrialization (ISI). Even other institutionalized left parties, such as the Broad Front (FA) in Uruguay and the Workers' Party (PT) in Brazil, are more recent creations, founded in 1971 and 1980, respectively, as the ISI model entered into decline.

The PSCh, by contrast, was founded in 1933 through the merger of several small leftist groups noted for their independence from the pro-Moscow orthodoxy of the Chilean Communist Party. The PSCh combined populist and Marxist influences (Drake 1978), but it generally positioned itself to the left of the Communist Party from the mid-1930s until the 1980s, when the two parties switched positions in the struggle against the Pinochet dictatorship. The PSCh joined with the Communist Party (PCCh) and the centrist Radical Party in several "Popular Front" governments in the late 1930s and early 1940s, but it broke with the Popular Front when the moderation of the alliance provoked internal factionalism within the party. Following a period of fragmentation, the party reunified in the 1950s and reestablished its alliance with the PCCh in 1958. Heavily influenced by the Cuban Revolution in the 1960s, the Socialist Party advocated a strict class-based strategic alliance of the Left, embraced Leninist organizational and ideological principles, and declared its support for revolutionary armed struggle, despite ongoing participation in electoral and legis-

lative activities (see Faúndez 1988; Walker 1990). When Allende unexpectedly won the presidency in 1970 in a close three-way race, the Socialists anchored the more radical wing of his diverse leftist coalition, advocating an acceleration of land reform, the rapid nationalization of major industries and financial institutions, and the creation of grassroots "popular power" as a revolutionary alternative to Chile's "bourgeois" democratic order (see Stallings 1978). The PSCh was a primary actor in the waves of labor, peasant, and urban popular mobilization that transformed Chilean politics in the 1960s and pushed the Allende government toward more extensive nationalization and redistributive policies (see Winn 1986).

Allende's ambitious reform agenda—easily the most radical ever attempted under democratic auspices in Latin America—proved difficult to implement, as his Popular Unity coalition lacked an electoral and legislative majority. Indeed, his coalition did not control the Congress, the courts, or the military, and as a result there were severe conflicts over the content and scope of nationalization and redistributive policies. In a context of deepening economic crisis and acute social and political polarization, much of the political Center and the business community joined the Right in supporting a military coup, which finally occurred in September 1973 (Valenzuela 1978). The military junta that replaced Allende was no mere caretaker government brought in to stabilize the political system before turning it back over to civilians. Instead, Pinochet and the other military commanders aimed to crush the partisan Left and its affiliated social groups, dismantle the democratic institutions that nurtured their development, and create a permanent form of authoritarian rule that would be insulated from the societal pressures of the past (Valenzuela and Valenzuela 1986). To these ends, the military regime closed Congress, burned the electoral registry, prohibited elections in civic associations, banned political parties and the national labor confederation, and arrested, exiled, tortured, "disappeared," or executed tens of thousands of party leaders and activists (Remmer 1980). The PSCh, like the PCCh, was decimated by this repression; within three years of the coup, with most of its leadership imprisoned, exiled, or disappeared, the party had all but ceased to exist as a national political organization, at least inside of Chile.

The magnitude of this defeat, and its catastrophic effects on party leaders and activists, led to an especially vigorous and self-critical debate within the PSCh and allied left Christian groups over the political lessons of the Allende experience. This political learning spawned a multidimensional process of change in party identity, doctrine, and practice that is simply known as the "renovation." Although the renovation was initially concentrated in the party's exiled leadership and helped provoke a 1979 split in the external organization of the PSCh, the party eventually reunified and absorbed the Christian Left in the 1980s around the core principles of the renovation process. These principles were instrumental in determining the path followed by the

PSCh as it fought against the military dictatorship, participated in Chile's democratic transition, and positioned itself for a return to power at the end of the 1990s. The most important of these principles are outlined in the following paragraphs.

First, as part of a general de-Leninization of the party's doctrine and identity, the Socialist renovation eschewed revolution as a political strategy and objective, while embracing liberal democracy as the centerpiece of its political project. Shaken by severe repression under Pinochet and often disillusioned by a firsthand look at authoritarian socialism in the Soviet bloc during exile, Socialist and Christian left theoreticians insisted that democracy had an intrinsic value in its own right that went far beyond any instrumental utility it may have for incubating socialist reforms (see Moulián 1983; Garretón 1987). In particular, democracy provided safeguards for civil and political rights that were essential for grassroots participation and the construction of popular political alternatives. Democracy, moreover, provided an institutional framework that was uniquely designed to manage social and political pluralism and reconcile competing interests. In short, the socialist renovation proposed a conceptualization of democracy as a form of institutionalized pluralism that gave voice to diverse societal interests and managed potential conflicts among them. For the socialist renovation, then, the struggle against the military dictatorship was not designed to accumulate forces for a revolutionary conquest of state power, a position that was adopted by the newly radicalized Communist Party after 1980. Instead, it aimed to restore a form of representative democracy in which Chile's polarized sociopolitical and ideological tendencies would all have a voice and an opportunity to shape the content of public policies.

Second, for the socialist renovation, one of the primary lessons of the Allende experience was the necessity of building a broad, multiclass social and political base to sustain any transformative project. Under this interpretation, the Allende government failed because Allende's socialist reforms rested on a fragile and narrow political base that was incapable of building a broad societal consensus. In a political system with strong centrist and conservative competitors and a relatively large middle class, a narrow leftist coalition appealing largely to working-class interests and identities is not capable of building majoritarian support for socialist reforms.

This interpretation lay behind a fundamental shift in the strategic behavior of the Socialist Party in the 1980s: the decision to distance the PSCh from its historical ally, the Communist Party, in order to construct a broad center-left coalition with the Christian Democrats and other parties that opposed the military dictatorship but did not necessarily share a commitment to socialist reforms. This decision clearly signaled that the renovated branch of the PSCh had made the restoration of democracy its central strategic priority, relegating socioeconomic transformation to a secondary plane. The coalition-building process began in earnest in 1983, when a financial crisis and

severe recession sparked a wave of mass protests against the dictatorship, following a decade in which opposition politics had been largely silenced by terror and intimidation (Schneider 1995). Whereas the Communist Party saw the protests as an affirmation of its insurrectionary strategy of "popular rebellion" to bring down the dictatorship—a strategy that included the creation of an armed insurgent movement—the renovated Socialists and Christian Democrats did not believe Pinochet could be driven from power by popular protest or armed rebellion. Instead, they believed the protests would weaken the internal cohesion of the regime, open political space for a revival of partisan activities, and ultimately force Pinochet to accept a return to competitive politics. In short, they gambled that Pinochet could be confronted more effectively in the electoral arena, where he was weakest, than in an insurrectionary arena where the military's overwhelming coercive power could be deployed.

In the end, Pinochet played into the hands of this center-left opposition by crafting constitutional rules that called for a partial restoration of political competition as part of a larger strategy to institutionalize authoritarian rule for the long haul. A constitution imposed by the dicatorship in 1980 required that a plebiscite be held in 1988 on a presidential candidate selected by the Pinochet regime. Over the objections of many of his military and business allies, who preferred a less polarizing figure associated with the regime, Pinochet insisted that he be this candidate. Having been rebuffed in their calls for an open, competitive presidential election, the center-left opposition alliance had little choice other than to contest the regime within the highly limited institutional spaces that it made available. Opposition parties thus poured all their energies into the campaign for a "No" vote against Pinochet in the 1988 plebiscite, since under the constitution, an opposition victory would have to be followed by open and competitive elections.

Consequently, as the protest cycle tapered down after 1986, opposition activities were channeled into the electoral arena, effectively marginalizing the Communist Party and providing new opportunities for the Christian Democrats and renovated Socialists to mobilize support. To enhance the credibility of the plebiscite, the Pinochet regime relaxed its censorship of the media and passed a new law that allowed non-Marxist parties to achieve legal recognition and mount voter registration drives. To get around the ban on Marxist parties and foster electoral participation by the Left, renovated Socialists led by the economist Ricardo Lagos created an "instrumental" party known as the Party for Democracy (PPD) that provided a catch-all space for political independendents and other regime opponents, both leftist and nonleftist. The PPD played a vital role in allowing Chilean socialism to grow toward the center, as it appealed to secular centrists and center-left professionals who did not identify with either the Christian Democrats or the historical PSCh. Lagos, a visible political and intellectual leader of the renovated Left inside Chile, became increasingly promi-

nent after he boldly spoke out against Pinochet on national television in early 1987, the first time such criticisms had been expressed on the airwaves. Lagos became the principal point of contact between the Socialists and the PPD and the de facto leader of the Left within the 16-party opposition alliance known as the "Concertation of Parties for No" that was formed—without the participation of the Communist Party—to challenge Pinochet in the plebiscite campaign.

The Concertation developed into one of the most successful political coalitions in modern Latin America. It galvanized an opposition campaign that won 54.7% of the vote to defeat Pinochet in the October 1988 plebiscite, then negotiated a package of constitutional reforms with the regime to create a more suitable institutional framework for democratic competition. The Concertation subsequently elected Christian Democratic leader Patricio Aylwin to the presidency in 1989—Chile's first democratic election in 19 years—and followed that up with a victory for another Christian Democrat, Eduardo Frei, in 1993. By the late 1990s, the balance of power within the Concertation had shifted in favor of the PSCh-PPD bloc, with Ricardo Lagos defeating the Christian Democratic candidate in the coalition's primary election. The stage was thus set for the presidential victories of Lagos in 2000 and Bachelet in 2006.

In short, the PSCh and its spin-off, the PPD, were central actors in Chile's democratic transition, and they had an enormous stake in the consolidation of the democratic regime it produced. Although this regime continued to be limited by Pinochet's institutional legacies, including the 1980 constitution, it was widely seen by the Socialists as the fruit of a popular conquest over a brutal dictatorship that nearly succeeded in destroying the Chilean Left. For Socialists, then, the new democratic regime was a precondition for the basic right to engage in political activity and compete for public office. The Socialist-PPD bloc was a junior partner to the Christian Democrats in the first two post-transition governments of the Concertation, and it assumed political leadership of the alliance upon capturing the presidency in the 2000s. Under all the Concertation presidents, leaders of the PSCh and the PPD held important cabinet positions, offered disciplined support for policy reforms in the Congress, and served as municipal mayors and councilors.

Clearly, then, the Chilean Socialists were deeply entrenched in the democratic political establishment following the 1990 regime transition, and the path they took to power at the end of the decade was an institutional one. This path was heavily influenced by the processes of political learning and ideological renovation spawned by Allende's defeat. It was later reinforced by the balance of political forces and the strategic opportunities and constraints that existed under the Pinochet dictatorship, as well as in the period of democratic transition. What remains to be seen, then, is how this path to power shaped the policy orientation and governing strategy of the PSCh in public office.

The Left and Democratic Governance in Chile

As discussed elsewhere in this volume, new left governments in Venezuela, Ecuador, and Bolivia employed plebiscitary measures to bypass or weaken established institutions and "re-found" their constitutional orders. At first glance, it may seem paradoxical that the Chilean Left did not follow this same course; after all, Chile's 1980 constitution had been designed by Pinochet's civilian advisers to institutionalize a permanent form of authoritarian rule. Even after the Concertation negotiated a package of reforms with the military regime following Pinochet's plebiscite defeat, the constitution contained numerous "authoritarian enclaves" that were explicitly designed to maintain military prerogatives, limit the authority of elected officials, and restrain the expression of popular democratic majorities (Valenzuela 1992). For example, these constitutional provisions formalized military oversight of the democratic process; stripped the president of the power to remove military commanders; and allowed the outgoing Pinochet regime to appoint a number of unelected or "designated" senators, thus giving conservatives an unelected majority of seats in the upper house. In addition, a highly disproportional "binomial" electoral law overrepresented the partisan Right while thoroughly marginalizing the radical Left outside the Concertation (Siavelis and Valenzuela 1996). If any governing Left in Latin America had democratic grounds to refound the constitutional order, it was Chile's.

Nevertheless, neither the Concertation nor the PSCh opted to mobilize forces for a plebiscitary overhaul of regime institutions. Instead, they chose to adhere to the established rules and propose constitutional amendments through the legislative process. After several attempts at reform were blocked by conservative opposition in Congress, a package of 54 reforms proposed by the Lagos administration was finally negotiated with the Right and approved by Congress in 2005. These reforms eliminated some of the most egregious antidemocratic legacies of the dictatorship, such as designated senators and the provision that blocked presidents from removing military commanders, although they did not modify the binomial electoral system.

In short, the institutional changes proposed by the Chilean Socialists were clearly designed to remove authoritarian enclaves and strengthen liberal democratic norms and procedures. Moreover, these reforms were pursued within existing legislative institutions, in accordance with prevailing rules governing constitutional change, rather than through plebiscitary appeals to popular majorities to override existing rules. Why, then, given the patently anti-democratic origins and content of the constitutional order, did the Socialists refrain from making plebiscitary appeals for change?

The answer clearly lies in the historical experiences that shaped the contemporary PSCh, along with the constraints associated with the institutional path to power that the party charted in the 1980s and 1990s. First, political learning associated with

the Allende experience and the socialist renovation encouraged this strict adherence to established rules and liberal democratic procedures. Proponents of socialist renovation were sharply critical of the ambiguous—if not hostile—stance of the PSCh toward representative democracy under Allende, and they were wary of attempts to impose change through forms of popular mobilization that might exacerbate conflict and polarize the political arena. Although the socialist renovation was sympathetic to grassroots participation to "deepen" democratic government (see Roberts 1998), this was seen as building on—not breaking with—the norms and procedures of liberal democracy. This vision of democracy, then, had little room for plebiscitary appeals to popular majorities that would override established institutions. Indeed, plebiscitary measures were perceived as being authoritarian in nature, because they were associated with the Pinochet regime; the dictatorship, after all, had used a referendum to ratify its 1980 constitution, and in 1988 it tried to extend Pinochet's rule for another eight-year term by means of a referendum. For the Socialists, declining to use plebiscitary measures was a way to mark their distance from the dictatorship and buttress their democratic credentials. It also sent a signal to voters—not to mention the military, the partisan Right, and conservative business groups—that the party was firmly entrenched in the democratic establishment and willing to play by the rules of the game, even where those rules were less than fully democratic.

Furthermore, the Socialists' institutional path to power provided unique opportunities for the party but also placed significant constraints on what it could do in public office, given the prevailing correlation of forces in Chilean politics. The institutional path allowed the Socialists (especially in tandem with the PPD) to grow toward the political center and build an electoral and governing majority in alliance with the Christian Democrats. On their own, or allied only with other leftist forces, the Socialists would have been relegated to a minority position with limited influence in the political arena, and they certainly would not have been capable of mobilizing popular majorities through plebiscitary measures to bring about radical political change. The strategic alliance with the Christian Democrats thus provided the Socialists with access to power, but it also required that they moderate their demands, play by the rules, and work toward a broad political consensus. A plebiscitary approach to governance might have ruptured this alliance or, even worse, triggered a military veto of the democratization process, given the contingent nature of the military's acceptance of regime transition. Likewise, it would have sparked a powerful political backlash from conservative parties in Congress, which were well represented in the lower house and held a de facto majority in the upper house owing to the presence of designated senators.

When the Socialists captured the presidency under Lagos in 2000, then, Chile was far removed from any sort of plebiscitarian overhaul of the constitutional order. The

PSCh had developed into a pillar of the democratic establishment: its leaders and cadres held public office at all levels of the government, and the party itself (in conjunction with the PPD) had consolidated and enhanced its influence in national political affairs, giving it a significant stake in regime stability. Indeed, by the end of the 1990s it appeared that a political realignment was taking place within the Chilean party system. Historic left, center, and right "thirds" continued to align into two competing conservative and center-left electoral blocs (in part a result of the binomial electoral system), but the balance of power within each bloc had shifted toward the ideological poles. On the right, the more traditional conservative party, National Renovation (RN), lost ground to its alliance partner, the Independent Democratic Union (UDI), a hard-line party spawned by the Pinochet regime that fervently defended the political and economic project of the dictatorship. Within the Concertation, however, the Christian Democratic Party (PDC)—Chile's largest political party since the early 1960s—was overtaken by the growth of the Socialist-PPD "sub-pact."[2] In 1993 the PDC elected 37 congressional deputies to 30 for the PSCh-PPD subpact, and Christian Democratic candidate Eduardo Frei easily defeated Lagos in a primary election held to select the presidential nominee of the Concertation. In 1999, however, Lagos crushed the PDC candidate in the Concertation's presidential primary, winning more than 70% of the vote and positioning himself to capture the presidency. Two years later, the PSCh-PPD bloc had overtaken the Christian Democrats in Congress as well, electing 30 deputies to only 23 for the PDC.

This growth of the Center-Left, however, was not attributable to any sort of political or economic crisis. The first two governments of the Concertation had overseen rapid economic growth with low levels of inflation and declining levels of poverty, despite a mild recession in the late 1990s induced by the Asian financial crisis. Social protest and mobilization, which had peaked in the 1983–86 period, declined as the democratic transition channeled political activism into electoral arenas, and it remained quite low throughout the 1990s. Likewise, the Chilean party system was highly stable and robust; the radical Left and political outsiders made little headway in the 1990s, and electoral volatility was very low by regional standards, reflecting modest intra-systemic vote shifts among established parties. Thus, the PSCh-PPD bloc grew at the expense of the centrist Christian Democrats, but so did the partisan Right, especially the pro-Pinochet UDI. Indeed, Lagos barely defeated the candidate of the Right, Joaquín Lavín of the UDI, in the second round of the 1999–2000 presidential race, by a vote of 51.3% to 48.7%. Therefore, in contrast to the new, "outsider" left parties and movements that came to power in the midst of regime and party-system crises in Venezuela, Bolivia, and Ecuador, the Chilean Left encountered powerful and institutionally entrenched opposition forces that precluded plebiscitarian challenges to the regime or the political establishment.

Finally, if the institutional path to power followed by the Chilean Socialists precluded a plebliscitarian approach to governance, so also did it discourage a more radical or participatory approach to democratic governance. The PSCh accessed the presidency through an alternation in leadership and a subtle shift in the partisan balance of power within the Concertation, rather than through a groundswell of popular mobilization. Indeed, as Collier and Handlin show (chapter 6 in this volume), the PSCh has strikingly weak ties to social activist networks. The "renovated" current that charted the party's course during the democratic transition was largely based in exile and intellectual circles until the second half of the 1980s; it had weak roots in the party's domestic grassroots networks, and it took a backseat to the Communist Party and the more "traditional" branch of the PSCh in the protest movements that rocked the dictatorship between 1983 and 1986 (Schneider 1995). Although some of the traditional grassroots networks entered the reunified PSCh in 1989, the party leadership sought to dampen social mobilization and prioritize electoral politics and elite-level bargaining during the democratic transition in order to assuage the fears of the Right (see Oxhorn 1995). Likewise, historic ties between the PSCh and Chile's labor and peasant movements were severely eroded under the military dictatorship. Peasant unions were decimated by repression and agrarian market liberalization (see Kurtz 2004), while labor unionization sharply declined; although organized labor supported the Concertation politically, relations were strained by the democratic government's ineffective response to union demands for reform of the highly restrictive Pinochet-era labor code. Given these weak ties to organized popular constituencies, the PSCh—and even more, the PPD—adopted a highly professionalized organizational profile and a technocratic rather than participatory approach to policymaking. Chile's Socialist-led governments, then, sought to respond to the material needs of lower-income groups, but they did relatively little to activate them politically.

Beyond Neoliberalism? Social and Economic Policy Reform

If the Socialist Party's institutional path to power constrained its approach to democratic governance, it also shaped the party's approach to social and economic reform. Once again, historical experiences and political learning loomed large. The economic crisis and political polarization triggered by Allende's socialization policies taught the PSCh painful lessons about the risks of promoting rapid changes in property and state-market relations, especially in contexts of incomplete political authority. Thereafter, the party lived through the demise of state-led ISI development policies during Latin America's Debt Crisis, along with the crisis and collapse of state socialism in the Soviet bloc at the end of the 1980s. Indeed, many party leaders and intellectuals in exile had firsthand experience with the bureaucratic inefficiencies of Soviet and

eastern European socialist models—not to mention experience with western European social democratic models that combined state-regulated market economies with extensive social citizenship rights. These experiences cast doubt on the viability and attractiveness of the party's historical conception of socialist development, and they encouraged the PSCh to rethink the relationships between states, markets, and private entrepreneurship in the development process.

More fundamentally, however, the Socialists' approach to social and economic policy reform was conditioned by Chile's own experience with market liberalization under the Pinochet dictatorship. Chile was the birthplace of Latin America's neoliberal model and the site of the model's most prolonged, comprehensive, and successful experiment. This experiment began in 1975, when a network of University of Chicago–trained technocrats gained control over the military regime's economic policy team. The "Chicago Boys" moved aggressively not only to dismantle what remained of Allende's socialist reforms but also to reverse 40 years of statist and nationalist development policies. Within five years, they had slashed tariffs to expose the economy to international competition; privatized hundreds of state-owned enterprises; parcelized land; liberalized prices; cut public spending and employment; deregulated the banking system, foreign investment, and capital and labor markets; and begun to privatize social programs such as pensions, health care, and education (see Foxley 1983; Silva 1996). The economy responded with rapid growth in the late 1970s, only to succumb to a financial crisis and the virtual collapse of the privatized banking system in 1982–83. The financial crisis triggered a severe recession and the aforementioned wave of mass protests, creating serious rifts between the military regime, the Chicago-school technocrats, and the business community. Nevertheless, a new—and less ideologically rigid—team of technocrats stabilized the economy in the mid-1980s, launching an unprecedented 15-year cycle of economic growth averaging more than 6% annually.

This economic boom, which was driven in part by new agricultural and natural resource exports, clearly demonstrated the ability of Chilean entrepreneurs to exploit comparative advantages and thrive in a competitive global economy. In so doing, the economic boom undercut the rationale for alternative statist or nationalist development strategies, which appeared increasingly unattractive and risky in comparison to the status quo—especially in a context where other Latin American countries were plagued by hyperinflation, foreign exchange crises, and anemic growth in the late 1980s and early 1990s. Consequently, both the Socialist and the Christian Democratic parties—which had roundly criticized the adoption of neoliberal policies, and which considered the model an abject failure when the financial crisis hit in the early 1980s—gradually shifted their stand as Chile began its democratic transition in the

midst of an economic boom that helped solidify business support for Pinochet and the neoliberal model.

Wary of capital flight in Chile's liberalized and rapidly globalizing economy, the parties of the Concertation took pains to assure business elites that a democratic transition would not entail a rupture with Pinochet's neoliberal model, much less a tilt toward the type of "populist" spending patterns that had contributed to hyperinflation and economic chaos in neighboring countries. Indeed, by the time Chile returned to democracy in 1990, the PSCh had, de facto, abandoned its historical commitment to nationalizing the means of production. Socialist leaders accepted private property and entrepreneurship as the engines of economic development, and they pledged to support an economy open to foreign trade and investment. The challenge, they argued, was to maintain the dynamism and efficiency of a market economy while addressing the "social deficits" of Pinochet's neoliberal model—in particular, high levels of unemployment and underemployment, cuts in real wages, and a poverty level that exceeded 40% of the population at the end of the dictatorship (see Roberts 1998, 145–48).

Social and Economic Policies after the Democratic Transition

Given the dynamism of the Chilean economy at the time of the democratic transition, the new, Christian Democratic–led governments of the Concertation maintained the core macroeconomic policies of Pinochet's neoliberal model, including fiscal and monetary discipline and support for privatization and trade liberalization policies. Although short-term capital controls were introduced to limit the volatility of international capital flows—a wise decision, in light of the late-1990s global financial turmoil—the general policy orientation was clearly one of fiscal and financial orthodoxy. Pledging to promote "growth with equity," however, the Aylwin government negotiated a modest tax increase to help finance new social spending on health care and education, launched a program of targeted poverty relief, and increased the minimum wage in an effort to boost living standards of working-class Chileans (see Weyland 1996). The new government also proposed reforms of the labor code to enhance the bargaining power of organized labor, but it made little headway in the face of fervent opposition from business interests and the partisan Right. Similarly, the Frei government put labor reform on the political agenda at the end of its term, reviving a bill that would have allowed some collective bargaining beyond the firm level and restricted the hiring of workers during strikes. The proposal proved divisive within the PDC, however, and congressional opposition blocked progress on the bill, leaving labor reform on the agenda of the incoming Lagos administration.

Nevertheless, the governments of Aylwin and Frei made significant gains in addressing social problems. Rapid, sustained growth during the 1990s absorbed much of the surplus labor force, allowed wages to rise at a noninflationary pace, generated new fiscal revenues for state social programs, and cut the poverty rate by more than one-half. Whereas 45.7% of Chileans were estimated to live below the poverty level in 1987, and 17.4% in extreme poverty, by 2000 these figures were down to 20.6% and 5.7%, respectively. Much of this improvement was attributable to the trickle-down effects of steady economic growth rather than explicit redistributive policies; in fact, between 1987 and 2000, the income share of the bottom quintile of the population declined from 4.5% to 3.7%, while that of the top quintile increased from 56.3% to 57.5% (Economist Intelligence Unit 2003, 16). Apart from the seemingly intractable challenge of reducing inequalities, however, the overall performance of the first two governments of the Concertation stood in stark contrast to what could be found in most other countries in Latin America, where market reforms did not generate rapid and sustained growth, fell victim to repeated financial crises, and/or exacerbated the social problems of underemployment and low wages.

In Chile, then, a booming economy and low inflation alleviated business fears of democracy, generated new employment, and allowed popular living standards to rise without running the risks of major redistributive reforms or populist spending cycles. Chile's unprecedented 15-year economic boom transformed the social and economic landscape and heavily conditioned the prospects for reform under Lagos. Although the boom finally faltered in the year before Lagos's election, when the Asian financial crisis triggered a mild, short-lived recession, the transparently international origins of the slowdown did little to discredit Chile's long-term growth model. Instead, it put Lagos under pressure to make the resumption of growth—not social or economic reform—his first priority in office.

Policy Change and Continuity under the Lagos Government

Simply put, Lagos did not seek, and was not granted, an electoral mandate to break with Chile's neoliberal model. Unlike his left-of-center contemporaries such as Hugo Chávez, Néstor Kirchner, Evo Morales, and Rafael Correa, Lagos was not elected as part of a voter backlash against a failed or unpopular neoliberal model. Supporters expected him to address the social deficits of neoliberalism, but few thought this required radical surgery. As Lagos himself stated the priorities, "The first question is to have order in your economic and fiscal policies; second, to have growth, and then after you have growth . . . we are going to discuss how to distribute the outcome of that growth, and not the other way around" ("Commanding Heights" 2002).

Consequently, Lagos ran a cautious, moderate election campaign, pledging to

maintain the Concertation's track record of fiscal discipline, macroeconomic stability, and steady growth. He promised to improve social services for Chile's poor and expand labor rights while avoiding populist spending cycles that might engender inflation and economic instability. He also focused attention on Chile's future rather than its traumatic past, consciously opting not to politicize the 1998 detention of Pinochet in London on human rights charges. Ironically, it was not Lagos but his UDI contender Joaquín Lavín who cultivated a populist touch with his frequent visits to poor communities and his emphasis on themes like employment, social programs, and concrete solutions to daily problems (see Tironi, Agüero, and Valenzuela 2001, 74).

Given his surprisingly narrow victory over a candidate of the hard Right, Lagos continued his moderate course after taking office in early 2000, indicating that the leadership shift to the left within the Concertation would not produce major changes in macroeconomic policies. Indeed, Lagos chose technocrats with strong orthodox credentials to head the Finance Ministry and fill other key policymaking positions. Continuity was thus more pronounced than policy change, as the Lagos government actually strengthened pro-market policies in several areas. Policy change was more pronounced in the social sphere, where the Lagos government—and, subsequently, the Bachelet government—initiated new social programs that took important steps toward the construction of universal social citizenship rights, thus moving well beyond the targeted poverty programs of the Alywin and Frei governments. In short, Lagos and Bachelet combined macroeconomic orthodoxy with redistributive social reforms in the policy mix that this volume calls social liberalism.

On the orthodox side of the ledger, free trade accords were negotiated with the European Union and the United States, and Chile's already low tariff rate was reduced even further. In early 2003 the Lagos government negotiated a national accord with conservative opposition parties in Congress that was designed to stimulate economic growth, including measures to ease regulatory burdens on private business and liberalize both labor and capital markets. The government also strengthened the independence of the Central Bank, eliminated short-term capital and exchange controls, and maintained a free-floating exchange rate regime. Although the government blocked the planned privatization of small water companies, it encouraged private investment in infrastructure projects, allowed minority private participation in state-owned mining projects, and sought support for microenterprises.

Similarly, fiscal and monetary policies were moderately expansionist at the beginning of Lagos's term in order to help pull the economy out of recession, but over the longer term the government proved to be highly disciplined. As the economy recovered and the commodity export boom got under way in 2003, the government ran large primary budget surpluses and maintained a highly favorable trade balance;

budget savings and windfall copper export revenues were then deposited in a pension reserve fund and a "rainy day" economic stabilization fund, which ultimately allowed Bachelet to cushion the effects of the 2008–9 global financial crisis on the Chilean economy. To demonstrate fiscal discipline, Lagos established a rule mandating that the government maintain a primary fiscal surplus of 1% of GDP during "normal" economic times, and he passed a new fiscal responsibility law to regulate the funneling of surpluses into the reserve funds (Huber, Pribble, and Stephens 2010, 82–83). As Kaufman points out in chapter 4 (see table 4.1), central government spending as a percentage of GDP actually declined under Lagos and Bachelet, from 22.5% in 1999 to 18.3% in 2007.

This macroeconomic orthodoxy did not mean, however, that the Lagos government abandoned the Socialist Party's historical commitment to social welfare and redistributive policies. The centerpiece of his reform agenda was a bold proposal to expand the public health care system. The Plan AUGE (Universal Access to Explicit Health Guarantees), announced in Lagos's State of the Nation address in May 2002, proposed universal coverage with low copayments and waiting-time guarantees for the treatment of 56 basic medical conditions, including cancer and heart diseases ("Lagos Pledges Major Reforms," 2002, 1). Although the public health care plan faced resistance among doctors and was watered down in Congress, leading to its staged implementation, it was an unusually ambitious plan for social service provision by Latin American standards. Indeed, it represents an important step toward the establishment of universal social citizenship rights and is thus a significant departure from the more targeted social programs adopted by previous governments of the Concertation (see chapter 5).

Other social policy initiatives of the Lagos government were less ambitious but still noteworthy. Lagos established a poverty relief program known as Chile Solidario to raise living standards among the 225,000 poorest Chileans. Like other targeted social policies in Latin America, this program directed modest cash transfers and other subsidies and social services to female heads of households who committed to keep their children in school and visit health and counseling clinics. The Lagos government also launched an unemployment insurance plan for workers in the formal sector of the economy and succeeded in passing a divorce law in 2004 that was a decade in the making. The law, which made Chile the last country in Latin America to legalize divorce, allows more than a half million separated Chileans to gain a divorce after a one-year waiting period.

To pay for these new social programs—the Plan AUGE alone was calculated to have an initial price tag of $230 million annually—the government negotiated with Congress to adopt a modest 1% hike in the value added tax, although proposals to

increase duties on alcohol, tobacco, and diesel were dropped. The government also managed a slight increase in corporate income taxes, and it imposed royalty taxes on private mining companies, most of which had previously managed to evade taxation altogether (see "Taxation Looms for Big Mining Firms" 2003, 7). In general, however, proposals for increased taxes under all the Concertation governments faced staunch opposition from business elites and conservative parties in Congress, leaving Chile with strikingly low levels of corporate and overall rates of taxation. These low levels of taxation clearly place budgetary constraints on social programs, and they help explain why the Concertation has found it so difficult to reduce inequalities, even when employment opportunities and living standards for the poor have improved.

Likewise, in the area of labor rights—where social reform could impinge directly on the prerogatives and profit margins of capital—the Lagos government, like its predecessors, was both less bold and less successful in bringing about change. The Concertation had initially come to power with pledges to significantly modify Pinochet's labor code, which severely restricted workers' rights to unionize, bargain collectively, and strike. Facing virulent opposition from business federations and the partisan Right, however, the Aylwin government retreated to a very modest package of reforms that left in place the most serious restrictions on collective action in the workplace. Government inaction seriously strained relations between the Concertation and the national labor confederation (the United Workers Central, or CUT), which temporarily pulled out of tripartite negotiations in 1994. By 1998 Socialist leaders in the CUT were defying the national party leadership by allying with Communist labor leaders instead of the Christian Democrats, and a split occurred in the Socialist Party's labor bureau. Meanwhile, half of all organized workers belonged to unions led by the Communist Party, although the percentage of the workforce that was unionized steadily declined following an early spurt of unionization at the beginning of the democratic transition.

Lagos pledged to support labor reform during his campaign, and he followed through in 2001 with a bill that expanded the labor code to incorporate new categories of workers, extended contracts to part-time workers, lowered the number of workers required to form a union, and strengthened Labor Ministry efforts to process worker complaints and sanction illegal labor practices. Despite these advances in individual workers' rights, however, conservative opposition in Congress forced the reform to drop provisions that were designed to remove the most important constraints on the collective power of labor in Chile—namely, the restrictions on collective bargaining beyond the firm level and by category of workers, as well as the practice of hiring strikebreakers (Haagh 2002, 105–6). These restrictions have reproduced the power imbalance between capital and labor inherited from the Pinochet

regime, and they largely account for the decline in unionization since the early 1990s, from about 15% of the workforce to 12%, a far cry from the 35% unionization rate achieved under Allende.

In sharp contrast to Socialist Party practices in the past, then, Lagos's strategy for improving the welfare of workers did not rely on organizational power and collective action. Instead, it promoted individual worker rights, mobility, and capacitation. This strategy was designed not only to position workers more favorably in Chile's market-driven economic boom, but also to augment the contribution of human capital to the nation's economic development. In keeping with this orientation, Lagos's government sought to narrow the "digital divide" between Chile and the developed world by encouraging expanded access to information technologies. More than 300 information centers were established throughout the country to provide Internet access to the poor and computers for teachers. To enhance worker mobility, the government supported job training programs and passed an unemployment insurance plan that had been languishing in Congress since the early 1990s, although Lagos had to sharply reduce employer contributions to neutralize business and conservative opposition to the bill (Haagh 2002, 106). The Lagos government also increased funding for public education in an ambitious attempt to provide full-day education for all children in Chile, and it passed a law requiring 12 years of schooling for all children. These policies reflected a strategy for reducing inequalities by enhancing worker education, training, and job skills—rather than by altering property relations, as in the past.

Expanding Social Citizenship: The Bachelet Administration

Ricardo Lagos left office in the midst of Latin America's commodity export boom, which helped return Chile to stable economic growth (if less rapid than in the 1990s) and drove Lagos's public approval ratings over the 60% mark. Lagos's successor, the Socialist and former health and defense minister Michelle Bachelet, Chile's first female president, thus inherited a very favorable set of economic conditions. The steady growth, low inflation, and large fiscal and trade surpluses put Bachelet in the enviable position of managing prosperity, at least until the global financial crisis of 2008–9 took its toll on the national economy. As such, Bachelet's macroeconomic policies continued the orthodox approach of Lagos and his Christian Democratic predecessors from the Concertation. Her main challenge on the economic front was managing the fallout from the 2008–9 crisis, which caused the national economy to contract by about 1.5% ("Chile: Surging Anew" 2010, 13). Bachelet managed the crisis deftly, releasing funds from Chile's "rainy day" economic stabilization fund to limit the recession and quickly revive the economy. By 2010 the economy had returned to brisk growth, and Bachelet left office with approval ratings of over 80%.

Bachelet's most important policy innovations, however, came on the social front. As health minister under Lagos, Bachelet had been instrumental in the development of Plan AUGE; as president, she expanded the universal health program to include new medical conditions. As part of a strategy to eradicate shantytowns, she also launched a new program that extended grants to low-income families to purchase homes. In response to an outbreak of student protests early in her term, Bachelet promoted a reform of Chile's decentralized education system to reduce gaping resource inequalities between public and private schools, as well as between schools in wealthy and poor districts. Although congressional opposition blocked her most ambitious education reforms, Bachelet nevertheless built on Lagos's education initiatives by increasing spending for schools that served high-risk populations, making kindergarten mandatory, and launching new programs to provide preschool education and day care centers (see chapter 5). The emphasis on day care and preschool reflected Bachelet's commitment to gender equality, as the reforms were designed to facilitate female entry into the workforce.

The most far-reaching reform adopted under Bachelet, however, was in the pension system. The Pinochet regime privatized Chile's pension system to widespread international acclaim, making it a showcase for neoliberal social policies elsewhere in Latin America (see Weyland 2008). But the privatized system excluded many Chileans who worked in the informal sector or had extended periods out of the workforce owing to unemployment or family responsibilities (women in particular). Bachelet's reform thus provided for a basic universal pension available to all Chileans in the bottom 60% of the income distribution (see chapter 5). Like Lagos's health care reform, this pension reform pushed social insurance policies in a more universal direction; it reduced inequalities based on gender and workforce status, and it established new rights of social citizenship shared by all Chileans.

The Institutional Path to Power and Policy Moderation

The Lagos and Bachelet administrations demonstrated the possibility of gradually strengthening social programs and expanding social citizenship rights, even within the macroeconomic constraints of relatively orthodox fiscal and monetary policies. At the same time, however, they illustrated some of the political and institutional constraints on more radical policy initiatives—constraints that were, in many respects, intrinsic to the institutional path to power followed by the PSCh.

Some of these constraints were intentional, since they were institutional legacies of a military dictatorship that was determined to "lock in" its neoliberal development model after leaving public office. The Pinochet regime left behind an independent Central Bank that wielded substantial influence over fiscal and monetary policies, as

well as a binomial electoral system that overrepresented the partisan Right in Congress. More blatantly antidemocratic, it also introduced the institution of "designated senators," which provided the Right with an unelected majority in the upper house of Congress. Consequently, a cohesive Right could exercise veto power over any type of legislation in Chile's new democracy. This forced the Concertation governments from Aylwin to Lagos to water down or abandon a wide variety of reform initiatives, including proposals related to tax hikes, labor rights, and public education and health care. Government budgets, social programs, environmental regulations, and other policies were thus crafted by the Concertation to stay within the pro-market and pro-business constraints established by the partisan Right.

Ironically, Bachelet took office shortly after Lagos's constitutional reforms eliminated these designated senators, giving the Concertation—for the first time—a legislative majority in both houses of Congress. This majority, however, was built from a coalition of parties that had been unified by the struggle against the Pinochet dictatorship; as the dictatorship receded into the past and its institutional legacies became less restrictive, the intraparty and interparty cohesion of the Concertation began to break down, leading to a series of defections that caused the Concertation to lose its congressional majority. Bachelet, therefore, was forced to negotiate and scale back her reform agenda. In short, the alliance with the Christian Democrats made it possible for the Socialists to defeat the dictatorship, reconstruct democracy, and gain access to political power, none of which the PSCh could have done alone or in its traditional alliance with the Communist Party; but the alliance with the Christian Democrats also precluded a more radical break with the neoliberal model bequeathed by the dictatorship. The least common denominator in the majoritarian consensus built by the Concertation was to address the social deficits of the neoliberal model within the constraints of macroeconomic orthodoxy. Departures from that orthodoxy—an orthodoxy that united the Right, the Center, and at least part of the Left—were, practically speaking, removed from the political agenda, leaving partisan debate to focus overwhelmingly on the social policy side of the agenda.

These institutional constraints were clearly magnified by a basic structural reality: the singular success of Chile's neoliberal model in generating economic growth with stability, and the demonstrated capacity of the Concertation governments to address social problems (other than inequality) without departing from macroeconomic orthodoxy. Consequently, the Chilean Socialists were not ushered into power by waves of social protest or a voter backlash against neoliberalism, such as that which allowed left governments in Argentina, Venezuela, Ecuador, and Bolivia to experiment with heterodox or statist policies. On the contrary, the PSCh captured the presidency in a country where social mobilization had sharply declined since the economic boom began in the mid-1980s, where radical critics of the neoliberal model

(e.g., the Communist Party) were electorally marginal, and where the partisan Right that defended the model was electorally strong—and growing.

Indeed, the general balance of social forces was highly unfavorable to deeper reform, given the disorganization of popular sectors and both the structural and organizational power of capital. The demise of the mid-1980s anti-Pinochet protest movement was not offset by a significant strengthening of more institutionalized forms of collective action under democracy, such as labor unions. Organized labor was dramatically weaker in the 1990s than it had been during the Allende era, and its political ties and policy influence with the parties of the Concertation diminished after the democratic transition. Unions continued to be emasculated by Pinochet-era restrictions on collective bargaining beyond the plant level and by their susceptibility to strikebreaking activities; the inability of the Concertation to level the playing field both reflected and reproduced the fragmented social landscape of democratic Chile.

Business elites, in contrast, had been greatly empowered by the privatizations, financial liberalization, and international economic integration of the Pinochet era. Neoliberal reforms made the private sector the primary source of investment capital in the Chilean economy and the engine behind any long-term growth trajectory. This structural power of capital was reinforced by political organization, since business interests in Chile were among the best-organized in all of Latin America. Six sectoral federations representing different factions of capital were joined together in a centralized peak association, the Confederation of Production and Commerce (CPC), which maintained direct access to government officials under the Concertation and fiercely defended Chile's neoliberal model. As Silva (2002) explains, the CPC had occasionally compromised with the Concertation governments of Aylwin and Frei, but it shifted to a more hard-line opposition stance when Lagos took office, apparently hoping to preempt any serious attempt to change the economic model. The CPC mobilized strident opposition to labor code reform, essentially threatening an investment strike (351), and it also took strong stands against tax reform, environmental regulations, and other policy initiatives. A powerful business community that was vigilant in the defense of Pinochet's legacy thus served as an important brake on deeper reform under Chile's Socialist presidents.

These business interests, moreover, were very well represented in the partisan sphere, where they were closely bound to the traditional Right (National Renovation [RN]) and especially the ascendant UDI, the partisan expression of Pinochetismo. One of the few Latin American conservative parties to consolidate organizationally and strengthen during the 1990s, the UDI overtook RN electorally, narrowly missed upsetting Lagos in alliance with RN in the 1999–2000 presidential campaign, and then supplanted the Christian Democrats as Chile's largest party in the 2001 congressional elections. With the Christian Democrats hemorrhaging support on their right

flank, Lagos and Bachelet were reluctant to pursue more radical reforms that might polarize the political arena, energize the Right, and undercut their centrist allies in the Concertation.

Ultimately, however, the Socialists' moderate course, their professionalized and technocratic approach to governance, and their detachment from grassroots mobilization and social networks may have borne their own political costs. After nearly 20 years in power, an increasingly fractious Concertation appeared more and more to be a hidebound and out-of-touch establishment; despite widespread public approval of the performance of the Lagos and Bachelet administrations, a growing number of Chileans, especially young people, were demonstrating political apathy. With Bachelet ineligible to run for reelection in 2009–10, Socialist Party leaders deferred to the Christian Democrats and supported Eduardo Frei for yet another run at the presidency, while dissident Socialist deputy Marco Enríquez-Ominami broke with the Concertation to run an independent campaign. Enríquez-Ominami captured 20% of the vote in the first round of the election, not enough to overtake Frei and make it to the second-round runoff, but enough to weaken the Concertation and reveal its fissures. Frei was subsequently defeated in the runoff by the conservative candidate, businessman Sebastián Piñera of the RN, who ran as the candidate of change—thus marking the first time in more than a half century that the Right had won the presidency of Chile through electoral means.

Conclusion

The election of Sebastián Piñera in 2010 brought an end to Chile's 10-year, two-term experiment in Socialist-led coalition government, making Chile the first country in Latin America to return to conservative rule in the aftermath of the regional "left turn." It remains to be seen, however, what Piñera's victory means for the social policy reforms adopted by the Lagos and Bachelet governments, in particular the pension and health care reforms that moved Chile in the direction of universal social citizenship. The broad scope of the material benefits associated with these reforms may provide them with a political base that is resistant to a conservative rollback, a factor that may account for the cautious tone of Piñera's first months in power. Arguably, the true test of whether or not social citizenship rights have been politically consolidated depends on their retention following a turnover in government, rather than their ability to guarantee ongoing electoral success for the party that introduced them. In this sense, the longer-term legacies of Chile's Socialist-led governments will be revealed only in the years ahead.

What seems clear, however, is that the Lagos and Bachelet administrations overcame powerful structural and institutional constraints to craft a politically and eco-

nomically viable alternative to neoliberal orthodoxy. The institutional path to power followed by the Chilean Socialists led naturally to a liberal democratic mode of governance rather than plebiscitary or participatory alternatives, and it largely precluded experiments with heterodox or statist economic policies. This path, however, did not mandate that the Socialists sacrifice their commitment to social justice on the altar of economic stability and market efficiency. The alternative they crafted—social liberalism—may retain the core features of neoliberal macroeconomic policies, but it departs from the neoliberal model in the social sphere by relying heavily on state intervention to establish social citizenship and provide protection from market insecurities. In short, the Chilean case suggests that a competitive and dynamic market economy does not necessarily have to be embedded in a market society (Polanyi 1944)—something that European social democrats learned, through much trial and error, over the course of the 20th century. Consequently, having inaugurated Latin America's turn to market liberalism in the 1970s, Chile subsequently moved to the front lines of efforts to identify what lies beyond it. While the final contours of that alternative—or alternatives—remain subject to political contestation, their basic outlines have already been sketched by a Socialist party operating within the constraints of a liberalized economy and institutionalized forms of political pluralism.

NOTES

1. Among the leftist parties to take power in Latin America after 1998, only Nicaragua's Sandinistas and the Chilean Socialists had previous governing experience at the national level. The Peronist Partido Justicialista (PJ) in Argentina also had previous governing experience, but only under conservative or populist—not leftist—leadership.

2. During Chile's democratic transition, the PPD grew rapidly and developed an independent identity that clearly transcended its founding image as an "instrumental party" designed to facilitate Socialist electoral participation. After initially allowing dual membership, the two parties separated in the early 1990s. Lagos, however, retained a leadership role in both parties, and the two parties formed an electoral subpact within the Concertation that competed for seats with the Christian Democratic–led centrist subpact.

Uruguay

A Social Democratic Government in Latin America

JORGE LANZARO

The debut of the Uruguayan Left in government (2005–10) inaugurated a social democratic alternative, which joined the experiences of this kind emerging in Latin America at the start of the 21st century. The "wave" of Latin American left governments, which began in the late 1990s, has been characterized by manifestations of populism or popular nationalism, which are varieties of a recurrent political phenomenon in the region (Lanzaro 2006), although these governments have novel features and differ from their predecessors and among themselves. At the same time, in Brazil, Chile, and Uruguay, with the presidencies of Luiz Inácio Lula da Silva, Ricardo Lagos, Michelle Bachelet, and Tabaré Vázquez, governments of a social democratic character have emerged, a phenomenon that is a true novelty in Latin America (Lanzaro 2008).[1]

In this chapter, I review the general features of the Uruguayan case, which represents the most propitious alternative for establishing a "creole" social democracy and can be considered a leading case in the comparative analysis of these unprecedented figures. In the first section, I lay out the elements that make up the definition of social democracy. In the second section, I analyze the political resources and the format of the government that began in 2005. The third section offers a general look at the political agenda, highlighting the main innovations of the period.

Creole Social Democracy

Although the social democratic governments of Brazil, Chile, and Uruguay possess features peculiar to their "peripheral" condition, they can still be compared to the classic European cases, and in particular to the "late" social democracies that emerged in the 1970s and 1980s in Spain, Portugal, and Greece. Like the Latin American ones, these later experiences arrived in the course of processes of democratic consolidation and along with the liberal transition, away from the virtuous circles of the Keynesian era, in a new period of globalization.

The characterization of Brazil, Chile, and Uruguay as cases of social democratic governments, which has also been adopted by other authors (Panizza 2005a; Pribble and Huber, chapter 5 in this volume), is not universally accepted. In particular, Levitsky and Roberts, in the introduction, prefer to describe them as cases of social liberalism, although they consider the governing leftist parties in those countries to be the ones most closely resembling European social democratic parties.

The issue is undoubtedly debatable. Nevertheless, I contend that the social democratic label is adequate for characterizing these governments, especially in the case of Uruguay. My argument rests upon a notion of social democracy that I propose, based on criteria similar to those employed by Levitsky and Roberts to develop their typology of leftist governments in the introduction, a notion that is consistent with classic, specialized studies in this area.[2]

As I have put forward in previous works (Lanzaro 2006, 2008), the social democratic governments are those made up of institutionalized left parties, with socialist leanings and kinship to the labor movement, which have undergone processes of political change and replaced their revolutionary ideologies with moderate but effective reformism as a result of the electoral strategies that they adopt, when acting in the framework of competitive and relatively institutionalized party systems.

What principally defines social democratic governments, and for that reason marks a basic distinction in the current Latin American map, is that they are led by an institutional Left. The institutional Left possesses two main characteristics: first, the degree of institutionalization, the age, and the political accumulation that the left parties in government have achieved on their own; and second, the crucial fact that such parties are integrated into the process of electoral competition and the regime of representative democracy, within the frame of plural, competitive, and more or less institutionalized party systems. The effectiveness of party pluralism and competition shapes the route to office and the evolution of the governing left party. It also shapes the form of the government, the "policy style," and the political agenda.

The Partido dos Trabalhadores (PT), Brazil; the Partido Socialista (PS), Chile; and the Frente Amplio (FA), Uruguay are clear exponents of an institutional Left. They are well-established parties more than 20 years old that entered office with a rather dense organization after belonging to the opposition for a considerable period of time, suffering repression under military dictatorships, and participating actively in the processes of democratic consolidation (the Chilean Socialist Party also went through the tragic experience of the government of Salvador Allende). Before reaching national office, they have competed in various presidential elections and have been represented in parliament. They have also been trained through union leadership and, in the cases of the FA and the PT, by holding important posts in regional administration. This trajectory has allowed them to acquire important experience

and powers, developing the political skills of their cadres and party leaders, who gain national recognition and eventually face the challenges of presidential elections and government.

In terms of party systems, studies show that institutionalization is high in Chile and Uruguay. It was more rudimentary in Brazil, but in recent years it has registered sustained progress (Mainwaring and Scully 1995; Jones 2005).[3] Chile and Uruguay have relatively low levels of electoral volatility, far lower than the 20-point barrier and therefore similar to those seen in the advanced democracies of western Europe. In Brazil, volatility—which used to be high—has been decreasing noticeably. Furthermore, although their levels of institutionalization differ, these party systems are all plural and all maintain a high degree of effective competition. There is a relatively balanced relationship between government and opposition, which shapes political processes and has positive repercussions on the quality of democracy.[4]

Prompted by political competition, these Lefts—socialist, revolutionary, or reformist, grown in "brotherhood" with the labor movement—undergo a political and ideological reconversion, developing as catch-all and electoral-professional parties (Kirchheimer 1966; Panebianco 1982). They come to accept more firmly the rules of representative democracy, including both the electoral route to power and the institutions of government. Consequently, they adjust themselves to corresponding political restrictions, and this leads them to accept economic restrictions as well. As a result of this political conduct and the ideological currents in vogue, they reconcile themselves to the logic of the capitalist economy and open markets, in a certain continuity with the status quo and within the predominant neoliberal framework. Hence, one might infer that in this way a "policy regime" (Przeworski 2001) is settled, since governments and parties of different ideological leanings apply similar policies based on the prevailing conditions and their electoral calculations.

At the same time, however, because of their ideology and prompted by interparty and intraparty competition, these governments try to promote distinctive orientations in strategic public policies. They seek to enhance politics and state intervention in order to promote economic development, social cohesion, and democratic advancements.

Instead of the historical goal of revolution, incremental reformism, promoted by institutional Lefts within stable, pluralist, and competitive political regimes, is what characterizes the social democratic path.

There are also differences between our three cases and their European counterparts, given the peripheral condition of these countries of the "global South."[5] These Latin American governments emerged in a new liberal era and in open economies. They are far from the "virtuous circles" of Keynesianism, lack the margins of state autonomy that might have existed in other periods, and do not enjoy the protection afforded

by European integration. To this must be added the fault lines that plague Latin America, even in countries with better levels of development, such as Brazil, Chile, and Uruguay. There are also important changes in the working classes and unions, which affect one of the "pillars" of social democracy. Finally, the difficulty of providing "inclusion" to the unemployed, the poor, and the indigent must also be added to the list of challenges. This problem of social integration has strong political implications and constitutes one of the specific tasks of the social democratic agenda in Latin America.

Political Resources and Social Democratic Potential

These governments' ability to innovate is conditioned by each country's economic and social structures, which are determined by both history and the recent past. The economic boom that existed until 2008 because of international trade, commodity prices, and natural resource rents, generated a favorable inflow that the left governments have managed in different ways and with different outcomes.

With this landscape, each government's "social democratic potential" depends on its political resources (Lanzaro 2008): (1) historical legacies concerning the state institutions and public policies, (2) the power quotient and evolution of the governing left party, and (3) linkages with unions and other popular sectors.

Uruguay has certain advantages over Brazil and Chile in several of these areas, which make it the most favorable case for the construction of a social democratic alternative in the region.

INSTITUTIONAL AND POLITICAL LEGACIES

In terms of legacies, one must draw attention to both long-term acquisitions and the reforms of the 1990s. The latter preserved and even improved the government "toolbox," providing more favorable conditions for a turn toward "repoliticization" and the enhancement of the state. Unlike what occurred in Chile under the Pinochet dictatorship, the recent transition in Uruguay was adjusted to a gradualist political engineering, shaped by party pluralism and the opposition of the Left, which put limits on the push toward neoliberalism and restricted privatizations (Lanzaro 2000b). The most important public services and companies remained in the hands of the state, and instead of being sold out, they underwent a process of modernization, following a pattern of reforms that also moderated privatizations and decentralization in other strategic sectors, such as education and social security.[6]

POWER QUOTIENT

The political output of a government depends, above all, on its "power quotient."[7] This concerns the ability to translate programmatic aims into political decisions and is defined basically in terms of parliamentary support, assessed in two dimensions: (1) the position of the governing left party within the Left as a whole and, where applicable, within the governing coalition; and (2) the position of the left party and, where applicable, the governing coalition, within the party system as a whole.

In this respect, there are important differences among the three cases. In Brazil and Chile, there have been coalition governments, which differ one from the other, as the positions of the left parties in office (PT and PS) differ also in the frame of the governing coalitions. Both parties find themselves in minority situations (between 10% and 18% in the lower chamber), do not represent the entire universe of the Left, and share powers with partners of different political lineages in complex relationships.[8]

In contrast, the FA has a monopoly position in the Uruguayan Left and forms a majority government composed of a single party with considerable discipline. Therefore the FA does not need to build coalitions or pass parliamentary compromises. Besides, President Tabaré Vázquez has been in an advantageous position, since he was at the same time the head of the government and the unitary leader of the party.

The potential of a government is also affected by ideological polarization. In Chile, the distance between the PS and the right-wing bloc was considerable, as it was the average distance between the PS and the Christian Democrats (DC) within the Concertación itself. It is no wonder, then, that innovation has been moderate. In Brazil and Uruguay, the ideological distance between the PT and the FA and the opposition is much less. However, political output in the two cases is different, because the PT is a minority party in a coalition government, while the FA alone forms a majority government.[9]

Like the PS and the PT, the Frente Amplio has developed as a catch-all party and has thereby accentuated its condition as an electoral-professional party (Lanzaro 2004a). However, the FA remains a highly institutionalized party and maintains high levels of party identification as well as a rather strong organic structure (party congress, national plenum, political board, and the different FA groups). Although its mobilizational practices have lost strength and continuity, they become rather spirited during electoral campaigns. However, these are no longer organized through "base committees" (the FA's legendary grassroots organizations, which are frankly in decline) but rather are carried out directly by FA groups, especially by those that have the most activists. The political activism is also fostered by the social organizations and especially by the labor unions, with which the FA continues to maintain robust linkages.[10]

Like its counterparts in Brazil and Chile, being the government party, the FA works as a political machinery of the government. Nevertheless, the FA organic structure has retained an important degree of autonomy and influence, even vetoing some of President Vázquez's initiatives (the most notable examples were vetoes of the signing of a free trade agreement with the United States and of Vázquez's choice for the FA presidential candidate in the 2009 election).

Last but not least, although the FA has chosen to compete for the center of the political spectrum, to a large degree it continues to hold ideologically leftist positions. In its bids for the presidency, the FA launched a two-pronged strategy (Lanzaro 2007): it incorporated the programmatic changes demanded by competition, but it kept up an unyielding opposition toward the parties of the establishment and the liberalization prospects. Therefore, the ideological moderation typical of catch-all parties has been in this case more limited, passing through an incessant intraparty dispute, with sectors that exhibit different degrees of assimilation or resistance to the neoliberal cultural revolution.

UNION CONNECTION AND SOCIAL INCLUSION

In the toolkit of political resources, the strength of the union movement and the relationship that it maintains with the government and the governing party are in general particularly important. Moreover, the link between these two political "pillars"—party and unions—is one of the constituent elements of the social democratic matrix (Merkel 1995; Garrett 1998). The more the central organization, militancy, and politicization of unions remain in place, the more strength unions will have in left governments, as support groups and as vectors of influence in the casting of the government officials and in public policies.

In Brazil, Chile, and Uruguay, there has been a close historical kinship between the governing left parties and the labor movement. In all of these cases, as well, the dictatorships and the neoliberal push brought tough times for the unions, which, however, experienced this period in different ways (Cardoso 2007). Of these cases, Uruguay is probably the one that best fits as a social democratic experience.

In fact, the Uruguayan unions, which were very important actors in the democratic transition (1980–85), suffered in the following liberal transition of the 1990s. In that cycle, they lost members and density, and their bargaining power concerning private labor relations was weakened. Nevertheless, they preserved their national federation, and they recycled political unionism into opposition to the market reforms, especially through referenda against privatizations. In this way, they opted for the plebiscite of the ballots rather than the plebiscite of the street or other traditional means of class struggle, changing their pattern of mobilization and articulating vetoes vis-à-vis the liberalization initiatives.

Such practices reinforced the strategic linkage with the FA. With their own vitality and true autonomy, the unions, particularly those of the public sector, were able to act as agents of recruitment and mobilization. As Handlin and Collier observe in chapter 6, while market reforms eroded the strength of unions and challenged union-party relationships everywhere, in Uruguay it appears that the union-party relationship has been most resilient. (The proportion of unionists to left partisans is twice as high in Uruguay as in Brazil or Chile.) The unions have been essential actors in the building of a leftist force, just as they were in the turbulent period of the 1960s, although in a different political environment and with less specific weight.

This pattern is reflected in the composition of the government and also in its agenda, which included several initiatives that benefit the working classes. In contrast to the preceding liberal approach, the labor policy of the Vázquez government has promoted the development of the unions and their power resources, building new institutions that have favored the unions' tasks and membership. The revival of the Consejos de Salarios (tripartite labor councils) is a key piece of this new deal, establishing a neocorporatist system, which nevertheless lacks a peak level of tripartite negotiations.

In exchange, the labor federation offers "reasoned" support to the government. This posture generates internal disputes, as part of the competition between "moderate" and "radical" left currents (across the unions and the party), and does not put a stop to labor conflicts or political protests. In the framework of this social democratic corporatism, unions are a pillar of the government but nevertheless preserve true autonomy.

Along with this linkage to the labor movement—accompanied by a related effort to combat informal employment—there has been a widening of the poor policies, combining universal assistance and targeted programs. Linkages to beneficiaries are established, not through clientelistic or partisan networks (as happens in other Latin American left governments), but through public institutions and formal procedures, helping to consolidate the position of the state in this area as well.

The coexistence of these two sets of linkages (labor unions and institutionalized poor policies)—which has important political and electoral consequences—is a distinctive feature of social democracy on the periphery, both in Uruguay and in other Latin American cases. Furthermore, these social democratic governments—like those of Europe—have to face permanently the challenge of moving forward on these lines of social inclusion and, at the same time, preserve political and electoral supports among middle-class sectors, trying to keep them attached to the social democratic compromise.

The Political Development of the Frente Amplio

The triumph of the Left in Uruguay was the culmination of a gradual process of historic change within the party system (Lanzaro 2007, 2010). Through this process, the FA, which brings together the entire Uruguayan Left, was converted into the most powerful party in the political spectrum. The founding fathers of the traditional two-party system, the Partido Colorado (PC) and the Partido Nacional (PN), continue in the running, but they no longer enjoy the dominant position that they had from the origins of the country in the first half of the 19th century onward.

The Frente Amplio was founded in 1971 as an alliance of the older leftist parties (the Socialist and Communist parties), the Christian Democrats, independent leftist groups, and factions from the traditional parties. In the new democratic cycle beginning in 1984, this coalition of parties became a unified coalition party, in which the founding members coexist with new groups as truly fractions of a conglomerate that is greater than the sum of its parts, which has an encompassing identity and has built up its own tradition (Lanzaro 2000a, 2004a).

Along with this transformation, the FA achieved sustained electoral growth and became a major popular party. This consolidated an enduring political realignment: the FA eventually reached a majority position (52% in 2004 and 48% in 2009); meanwhile, the traditional parties, which in the 1984 opening election brought together 76% of the votes, dropped to 46% in 2004 and 2009 (see table 15.1).

This realignment has been a result of political competition and can be explained by taking into account the strategies adopted by both the traditional parties on the one hand and the FA on the other (Lanzaro 2007). The Partido Colorado and the Partido Nacional have led the liberal transition that has taken place in Uruguay, as throughout Latin America, since the 1980s. In doing so, they have undergone a re-conversion, turning away from Keynesian and welfare policies (state intervention and protectionism, patronage, and corporatism), toward state reform, liberalization, and

Table 15.1.
Electoral support by blocks, 1971–2009 (percent of valid votes)

	PC + PN	FA
1971	81	18
1984	76	21
1989	69	21
1994	63	30
1999	55	40
2004	46	52
2009	46	48

Source: Instituto de Ciencia Política Database, www.fcs.edu.uy/pri.

market-oriented policies. These actions, which had impacts on their electoral support, implied a reduction of their traditional political resources, hand in hand with changes in linkages and patterns of legitimation. As the leftist opposition has grown, the traditional parties have also made up government coalitions and promoted a major electoral reform, which changed the rules that had prevailed since 1910 and imposed the runoff presidential election. These patterns of cooperation, reinforced by the new electoral system, led the traditional parties to political association and ideological convergence, tending to bipolar competition based on the right-left cleavage.

Within this framework, the prosperity of the FA can be explained in turn as a result of three factors: (1) its development as a catch-all and electoral party, maintaining nevertheless a relatively robust organization as well as its kinship with trade unions and social movements;[11] (2) its structure as a coalition party, unifying all leftist groups and having at the same time a wide electoral dragnet; and (3) its two-pronged strategy, combining opposition against liberal reforms and privatizations, in defense of the statist tradition, with trends toward ideological moderation and the competition for the Center.

Majority Presidentialism, Cabinet Government, and the Coalition Party

The debut of the FA in government (2005–10) gave rise to majoritarian presidentialism, which involves strong leadership from Vázquez; yet it also entails a sort of cabinet government, owing to the FA's coalition-party nature.

The FA won in the first round of the 2004 elections and achieved a significant victory in the 2005 municipal elections.[12] Given these results, the FA reached a predominant position and enjoyed an absolute majority in both chambers of Congress (52%). No party had attained this majoritarian position in the country since 1966, and it has also not been common in Latin America over the past 25 years. There has therefore been a single-party government, with enough parliamentary backing to approve laws (including the budget), maintain presidential vetoes, and appoint high-ranking civil and military officials. This government has produced the most abundant series of laws and decrees since the return of democracy in 1985 (Chasquetti 2007). The two traditional parties were relegated to a relatively innocuous opposition, having, however, successfully pushed for a "judicialization" of politics, as when, for example, they challenged some applications of the new income tax law in the Supreme Court.

The center of gravity of the government has been the president and the Council of Ministers. Vázquez combined presidential authority with his role as party leader, which he had consolidated over several years, positioning himself as a unitary leader above the FA factions. As president, he acted mostly as an arbiter, establishing the general direction and making priorities of certain issues (human rights, armed forces,

and sensible international affairs) but leaving political initiative in the hands of his ministers and granting considerable seniority to the ministry of economy.

The cabinet has been the fulcrum of the Executive Branch, meeting weekly and effectively operating as a collegial body and center of the decision-making process, with a regularity and a political functioning that it never had before. During the initial period, the president's personal quota made up approximately half of the cabinet portfolios. The rest went to almost all of the leaders of the FA sectors, in a distribution congruent with their respective parliamentary representation. This composition was the result of Vázquez's desire to ensure solid support from his own partisans, without leaving any group uncommitted to the government. In this way he has achieved an important degree of obedience from the party and almost perfect parliamentary discipline (Chasquetti 2007).

This configuration amounted to a sort of cabinet government in a presidential regime and reflected the peculiar structure of the FA, which was born in 1971 as a coalition of parties but since then has transformed into a coalition party (Lanzaro 2000a). The unity it has forged is expressed in its party organization, leadership, and majoritarian decision-making rules, which have replaced the original principle of consensus and veto right. It has thereby formed a new type of party: the founding groups and more recent groups became indeed factions of a conglomerate of the entire Left, which has built up its own traditions and a lasting identity.

Nevertheless, marks of the FA's genetic model are still evident; the FA is by far the most factionalized Uruguayan party. It has numerous factions in the Senate and a large ideological spectrum (including socialists, communists, popular-nationalists, ex-Tupamaro guerrillas converted to electoral politics, the Christian Left, and sectors split from the traditional parties). This structure casts a wide electoral dragnet, is translated into the distribution of public posts, and encourages competition among and within the "three faces" of the government prism: Executive Branch, parliamentary representation, and the official party.

Various points of conflict have been aired within this triangle, which walls itself off from other parties. Notable examples include the disagreement over the amount of public spending on education to be included in the national budget; the complicated parliamentary procedure that the tax reform went through within the governing party; the rebellion that prevented the president from signing a free trade agreement (FTA) with the United States; the rejection of the statute of autonomy for the Central Bank; and the law decriminalizing abortion, approved by FA members in Congress but vetoed by the president.

Governing Agenda: Continuity and Innovation

With the configuration sketched above, the first FA government approved numerous significant innovations, both in the area of human rights and with respect to economic and social policies, cultivating a moderate reformism that composed a social democratic agenda.

HUMAN RIGHTS

Sticking to its electoral promises, the government did not attempt to repeal the amnesty law for human rights violations committed during the dictatorship. This law had been approved in 1986 through an agreement between the traditional parties and was ratified in a citizen referendum in 1989 with a clear majority. However, using a prerogative that this very law established, President Vázquez imposed an interpretation of its provisions that was much more permissive than that of preceding governments. This opened the possibility of initiating criminal proceedings against more than 600 members of the armed forces, including the most conspicuous torturers (Amnesty International 2006). The civilian president who joined the coup d'état in 1973 and the only member of the military who took up the presidency during the dictatorship were also taken into court, where both of them were accused of homicide, forced disappearances, and offense against the constitution.

In addition, President Vázquez made advances in terms of "truth and memory" and extended the "disappeared-prisoners" investigations launched by his predecessor, Jorge Batlle of the Colorado Party, which sought to identify human remains and locate family members.

Therefore, human rights matters gained public status and were transferred to the government sphere. However, this did not rule out the role of the specialized NGOs, which continued to criticize the action of the government and to call for an annulment of the 1986 amnesty law.[13]

ECONOMIC POLICY AND TAX REFORM

After the 2001 economic crisis, Uruguay shared in the cycle of economic prosperity that spread throughout Latin America, registering one of the highest rates of growth in the region.[14] This prosperity was due in large part to external factors, particularly the extraordinary rise in international prices of agricultural commodities until 2008. This advantage, counteracted by the parallel rise in the price of petroleum, was accompanied by the revival of the internal market and of employment.

The Vázquez administration has made its own contributions with the aim of ensuring that these tendencies have favorable effects and that domestic activity prospers, demonstrating the government's attachment to the rules of the market and economic

stability. This approach, which has assured continuity in macroeconomic policies and matches the reigning orthodoxy, is a typical and crucial component of social democratic compromises. Such strategy, adopted by the FA in its competition for government, was underscored once it took office, in order to reduce the uncertainties generated by alternation.

Following that path, the Vázquez administration was committed to preserving stability, maintaining a stable exchange rate, and controlling the fiscal deficit, thereby assuring conditions conducive to market dynamism, private investment, and foreign capital flows. Its discipline in these areas has achieved good results, accompanied by a considerable increase in foreign direct investment (in stark contrast to the drop in such investment in Argentina and far above the increases in Brazil and Chile).[15] It has also promoted institutional and legal innovations that move in the same direction: encouragement of private investment in the public sector, services, infrastructure, and agro-industry; and promotion of trade, competition, and competitiveness, for example, via the Defense of Competition Law, the new System of Innovation and Development, and the reform of bankruptcy legislation.

Aiming to reduce the vulnerability of the economy and preserve basic macroeconomic equilibria, the government reached the lowest percentage of primary public debt since 1992. To this end it has also made a successful effort to improve the balance of payments, increase reserves, and restructure the external debt, although the latter, like public spending, has grown, generating rigidities for an eventual countercyclical policy.[16]

The Vázquez administration has insisted on a policy of open regionalism, combining its membership in MERCOSUR (the Common Market of the South) with the search for new markets.[17] This has been one of the most active areas of the government, generating frictions with Argentina and Brazil, the larger partners of MERCOSUR. It also faced a rebellion within the FA over the attempt to establish a free trade agreement with the United States. As a result, the government was forced to back off, finally signing an investment agreement (TIFA) instead.

The tax reform approved in 2007, which is centered on the establishment of a generalized and progressive income tax, has been one of the government's most important changes, confirming the association that is commonly noted between left ideology and fiscal policy (Boix 1996).

Moreover, the ideological factor was explicitly presented as one of the central motives behind this "left-wing reform." While arguments were made about the rationalization of the tax system and incentives for investment, the initiative was pushed for on basically political grounds, in the name of vertical equity and the redistribution of income. No crisis situation led to this innovation, as usually is the case (Tejera 2008).

The preceding governments had increased the tax burden, mainly through consumption taxes. The value added tax (VAT) was enormously heavy, with the basic rate reaching 26% in 2007. In this system, which is considered regressive (Gómez Sabaini 2006), income taxes are applied above all to businesses and increasingly to salaries and pensions through the personal earnings tax, which was established by the dictatorship during the 1982 debt crisis and increased by successive governments.

The reform of Uruguay's left government created a true income tax (IRPF), which is not limited to salaries or pensions but rather extends to all types of income of natural persons, including certain categories, such as professionals, that previously were exempted. For incomes from dependent and independent work that are above the nontaxable minimum, the rates are staggered and go from 10% to a maximum of 25%, after which they cease to be progressive. The greatest burden is borne by persons with medium or medium-low incomes, the sectors in which the majority of salaried workers are found. At the same time that personal taxation was increased, business taxes were remodeled and reduced. Consumption taxes also decreased. The minimum rate of the VAT was extended to new products, but it was lowered from 14% to 10%; and the general rate shrank modestly, going from 26% to 22%.

The new income tax was approved by the governing majority without seeking a fiscal pact, as recommended by the Economic Commission on Latin America and the Caribbean (ECLAC 1998). There were arduous debates over the proposed tax, during which many of the FA's congressional representatives expressed disagreements with the bill presented by the Ministry of Economy and were able to raise the nontaxable minimum. The other parties remained at the margins and only managed to make their opposition felt through legal appeals over the constitutionality of the laws affecting pensions, in a sort of "judicialization" of politics. The Supreme Court of Justice accepted several of these appeals, which led the government to modify the part of the tax affecting pensions and lower its rates. This move was used by some sectors of the FA in order to obtain another general increase of the nontaxable minimum, which also benefited active taxpayers.

The effects that the new tax would have on the middle classes has been a central issue of the criticisms of the opposition, and it worried sectors of the governing party, who also complain about the lack of progressivity in the tax with respect to higher income brackets. In this way, the design of the reform and the political calculations behind it are evident: the government has opted to benefit those sectors with the lowest incomes, ensuring that the bulk of taxpayers will be those in the middle sectors. This includes salaried employees, who are "captive" taxpayers, allowing simple and cheap collecting.

The progressive content of the reform comes in the new balance between con-

sumption taxes, which, like business taxes, have gone down, and the personal income tax. This new tax has a general character, and its rates are staggered steeply above a nontaxable minimum, which previously did not exist. In addition, the tax-collection administration was strengthened and modernized, building on the efforts of the previous government and even, for a time, retaining the same officials at the head of the General Tax Office. The government was therefore able to achieve increases in efficiency and collection, as well as advances in fiscal culture.

It is doubtful that tax reforms of this kind could have noticeable effects on income redistribution, and it is not clear that in this case the tax reform has had the redistributive effects that the government intended (Amarante, Arim, and Salas 2007). It is more likely that such redistributive effects would be achieved through public spending, particularly social spending. The Left, taking advantage of the large amount of resources available, has sought to increase such spending considerably.

SOCIAL POLICY

Social policy has had a central place in the FA agenda, and consequently the government launched an important program in this field. Indeed, as Pribble and Huber confirm (chapter 5), the Vázquez administration enacted more significant changes than other left governments in Latin America, taking important steps toward the consolidation of a social democratic welfare state.

This feature is consistent with the program of the FA and the particular social sectors to which it seeks to attend. Moreover, it was an especially pressing requirement, since poverty had doubled in Uruguay as a result of the 2001 economic crisis, reversing the achievements obtained in the decade after democratization (1985–95) and moving the country even further from its once-famous welfare state. There was no marked departure from the formulas that have been predominant in Latin America over recent decades. Indeed, in this field, the Left also followed its path of moderate reformism, demonstrating innovation in some areas and continuity in others (Midaglia and Antía 2007). Nevertheless, the changes were important and outlined new prospects for the long term, through a strategy that combines universal benefits and policies targeted at the most vulnerable sectors (children, young people, and female heads of household). The new social policy included the launch of conditional transfer programs (CTPs) similar to those established in other Latin American countries, followed by the reform of the family allowances system, which had existed in Uruguay since 1943.

The priority given to social policy is seen in the marked increase in social spending and the attention that has been paid to the struggle against poverty, through various institutional and substantive innovations. Between 2004 and 2008, overall public spending increased each year by 30% in absolute terms (however, given the economic

growth that occurred simultaneously, it actually went down as a proportion of GDP). Public social spending per capita, in turn, rose, both in absolute and in relative terms, undergoing an accumulated increase of 41% in real terms during this period (ECLAC 2009). This has put public social spending above the average percentage of GDP spent in Latin America, which itself has been growing.

Beyond this general tendency, there have been changes in the structure of the public social expenditure (PSE). Historically, PSE was concentrated in social security (retirement and pensions) and exhibited a marked pro-adult bias and considerable rigidity, within the context of an aging population and a heavy burden of pensioners, who are numerous and influential, both as voters and as organized actors. During the FA government, participation in social security has decreased 10 percentage points with respect to the preceding period, and attention to children has greatly increased. Children are a long-term strategic sector because they are strongly affected by poverty and indigence, living in conditions that worsened dramatically after the 2001 economic crisis. The concentration of poverty in the younger generations and in certain urban neighborhoods gives rise to a "hard core" (68% of people under age 30) who lack basic goods and suffer from malnourishment, stunted growth, academic failure, and failure to complete their studies (De Armas 2009).

Responding to this government priority, the average amount spent on social assistance for children in the 2005–9 term was practically double the amount spent in 2000–2004 and in previous years. Thus, there was a significant increase, both as a proportion of overall social spending and as a proportion of GDP. As a complement to this prochild orientation, family allowances have also increased, both in terms of coverage and in the size of monthly payments. These and a series of parallel provisions have been particularly concerned with women, who are the pillar of a considerable number of homes of children and teenagers. Finally, there has been an important change in spending on education, getting closer to the goal of 4.5% of GDP, included in the FA program and claimed by the party ranks.

POLITICAL STEERING AND INSTITUTIONAL DEVELOPMENT

These actions entailed the enhancement of political steering in social welfare and reinforced the presence of the state in this arena, including both policymaking and the direct provision of services. In this context, the creation of the Ministry of Social Development (MIDES) must be highlighted. Its purpose is to act as a new centralized social authority, although it shares jurisdiction with the Social Security Bank (BPS) and the Ministry of Health, whose responsibilities have been increased.

These measures resulted in democratic steps forward, since they promote not only political steering but also institutional development, allowing social provisions to reach beneficiaries on the basis of rights and via bureaucratic channels rather than

through clientelistic linkages, as is the case in other Latin American governments. Therefore the new programs become settled as public routines and are subject to political controls, generally becoming accepted by the opposition parties. Following the best Uruguayan traditions, social policies go through a process of institutionalization and have a better chance of political sustainability.

A complicated relationship exists between the public authority and the "parentela" of NGOs. The NGOs, traditionally aligned with the Left, have important positions as civil society operators and public service agencies. When the Left arrived in office, many of its leaders crossed over to the public sector and assumed leading positions in the new ministry. The creation of MIDES and the reinforcement of the BPS suggest the possibility of a redefinition of the power map in this policy area. This would involve the development of the institutional capacities of the state at the national level and vis-à-vis the international donor organizations. A serious building effort is being made in this direction, but the prospects for such a project are not clear. NGOs continue to have important participation through contracting out and other mechanisms, thereby capturing public responsibilities and resources. In contrast to the case of promarket formulas, however, this kind of privatization is considered politically correct.

FROM THE EMERGENCY PLAN TO THE EQUITY PLAN

The main task of MIDES was the Social Emergency National Assistance Plan (PANES), the government's flagship initiative, similar to other programs in Latin America. The PANES was a temporary policy set targeted at the people living in extreme poverty (more than 10% of the population). Its main component was the Citizen Income, a noncontributory monetary transfer for heads of household, along with complementary services (food, health, housing, and citizen instruction). It was subject to certain conditions (school attendance of minors, medical exams, and community work), which indeed were not properly monitored and had a low level of compliance. It is estimated that in the first year of its application, these transfers decreased extreme poverty by half and reduced the income gap by 8%. However, because this program has been targeted at the lowest deciles, it did not enable households receiving the assistance to rise above the poverty line, nor did it have an impact on inequality (Amarante and Vigorito 2008). In addition, the Work for Uruguay program was implemented, which offers temporary employment and training courses, attempting to construct routes out of poverty, which in the long term ought to be ensured by economic development.

The continuation of the PANES was the Equity Plan, a permanent program of "Social Protection" that prioritizes young people and their parents but also covers other vulnerable groups, such as the elderly. Like the PANES, the Equity Plan centers

on cash transfers, making new contributions to old-age pensions and especially to family allowances. These provisions, administered by the BPS and not the MIDES, have a permanent character and replace the citizen income, which disappeared as such.

Within this framework, family allowances, which have existed in Uruguay since 1943, were increased considerably and were extended in order to cover poor households with children under age 18, on the condition that these children attend school (Amarante and Vigorito 2008). Moreover, under rules broader than those introduced by the previous government, family allowances can now be granted to unemployed people, as noncontributory transfers. This represents a significant shift from the historical Uruguayan system, which since the original 1943 law was attached to work and has been a wage-earner's benefit. The program experienced an important expansion, tripling public spending in this area (reaching almost 1% of GDP in 2009) and doubling the number of children included. This benefits heads of household and particularly single mothers, who also receive an "alimentary card."

The final evaluation of the impact of these policies is still pending and is in some ways problematic. There has been a significant decline in poverty: almost 12 percentage points between 2004 and 2008. Poverty decreased to a considerable degree in all

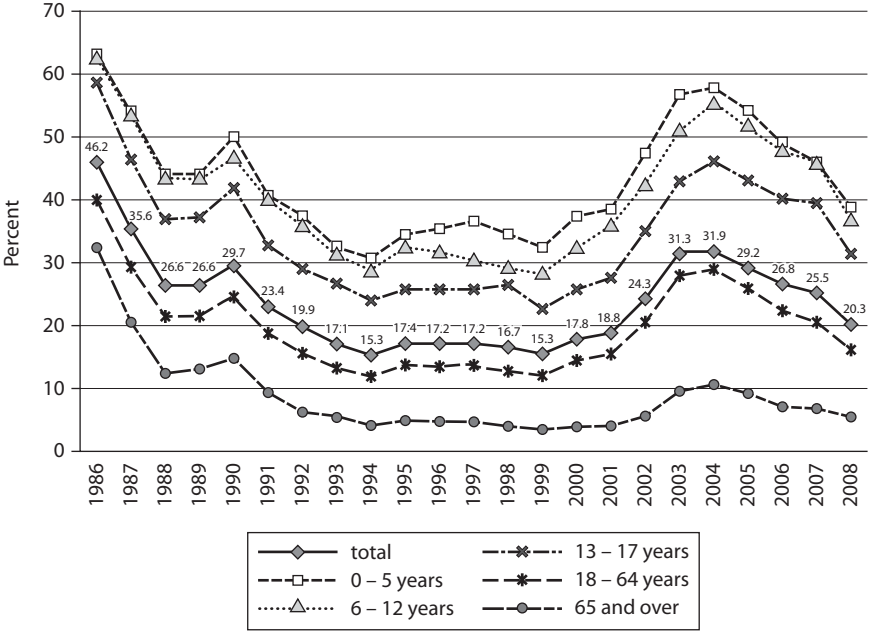


Fig. 15.1. Population below the official poverty line, 1986–2008 (total percentage and by age). *Source:* National Institute of Statistics (INE), Uruguay.

age categories, benefiting young people and children with a drop of 10% in the same time period (fig. 15.1). In 2004 nearly 32% of the population lived in homes below the poverty line; in the first half of 2008, that percentage had fallen to 21.4%, a reduction of one-third. Undoubtedly, the favorable economic cycle that existed until 2008 was one important factor. However, it is reasonable to assume that social policy also played a part in this evolution. "Virtú e fortuna": simulations have shown that without these policies, economic growth alone would not have produced such positive social consequences (Amarante, Arim, and Salas 2007; ECLAC 2009).

More broadly, a certain renewal of the welfare state has begun to occur, thanks to the enacting of new programs and the extension of social protection to vulnerable groups with low organizational capacity, combining universal benefits and targeted policies, which are centered on families and children.

NATIONAL HEALTH SYSTEM

The National Integrated Health System (SNIS) includes some innovations in terms of financing and management and attempts to take advantage of the existing structures. However, while it increases the coverage of health insurance, it remains attached to contributive principles and does not imply a significant strengthening of the system of public assistance; instead, it rests in large part on the private sector.

The SNIS grants universal health insurance, which is financed through taxes on salaries and is provided by both public and private institutions, in a mixed system. The Administration of State Health Services (ASSE) is in charge of the public health network at the national level, which provides services to insurance beneficiaries as well as those who lack such coverage (about 40% of the population). In addition, there are the Institutions of Collective Medical Assistance (IAMCs). These are private, nonprofit entities and cooperative or mutual benefit societies, which have a long tradition in Uruguay. In principle, users have the option of choosing the entity to which they wish to belong. Along with complementarity, the system entails a competition among the service-providing entities. Indeed, the public sector loses out in this competition, which is limited in turn by the existing asymmetries within the private sector.

Insurance is financed through the National Health Fund (FONASA), which receives contributions of public and private workers, in proportion to their incomes and the number of children in their nuclear families. The state and the companies in turn contribute 5% of the salaries of all the workers they employ. The FONASA delivers to service providers a monthly fee for each user, varying according to health risks, sex, and age. The FONASA also pays a complementary percentage, with the aim of stimulating the achievement of priority assistance goals.

National Health Insurance is based on a contributive pattern. This maintains social segmentation by excluding those who do not have access to employment in the

formal sector, the majority of whom have to turn to the free public assistance. But the new system extends health coverage considerably, since the health insurance includes holders' children up to the age of 18. This is the most noticeable impact of the reform; it is estimated that by mid-2008, 400,000 minors had been incorporated into the insurance system, in a flow directed preferentially to the mutualist institutions. Coverage has also been extended to disabled individuals and other types of dependents (spouses, domestic partners, and the elderly) in the care of insurance holders. Retired workers maintain their rights, and there are special provisions for low-income pensioners.

The Ministry of Public Health is the political body in charge of the SNIS, but it shares regulatory functions with the new National Health Board, which is composed of government representatives, users, workers, and health service providers. These constitute a picture of the actors present in this policy arena; of these, the medical corporations and unions are particularly influential. Hard negotiations took place with them in order to give rise to the reform, and it will also be challenging to deal with them in order to move ahead in a field in which there is still much to be done.

EDUCATION: MUCH PARTICIPATION AND FEW CHANGES

Education has also been one of the priorities of the FA government. This is reflected in the significant increase that has occurred in public spending on education, which went up as a proportion of overall social spending and as a percentage of GDP (ECLAC 2009).

In addition to important measures aimed at the development of science and technology (the creation of the National Agency of Research and the consolidation of the National System of Researchers), there have been initiatives to invest in human capital, especially for children. The program of "community teachers" supports primary school students in vulnerable areas; the Program for the Universalization of Secondary Education seeks to overcome alarming education failures at the secondary level; and the Ceibal Plan (named after Uruguay's national flower), the "star" program promoted by the president's office, inspired by the international One Laptop per Child initiative, seeks to generalize an early introduction to the use of computers. Uruguay has been a pioneer in carrying out this democratizing initiative on a national scale, and it has been imposed widely and with good access to the Internet.

Otherwise, education is a policy arena where there has been much participation but few substantive changes have resulted. In general, the Vázquez administration made little progress beyond the educational reform of the 1995–2000 government, an important and heterodox undertaking that did not follow the neoliberal premises of the time (Lanzaro 2004c). It is against this legacy that subsequent achievements must be measured.

The novelties are found mainly in the area of institutional design. In approving the new General Law of Education, the government picked up on one demand from the teachers' unions and established that the directive councils of the decentralized institutions in charge of public education should include teacher representatives, as occurs at the public university. This devotion to participatory forms of democracy and to corporatist links corresponds to the ideological traditions of the Left and its commitment to unions and associations in the area of education. However, at the same time, the law assigns greater responsibilities to the Ministry of Education. Eventually, this could give rise to relatively important changes, since this ministry has historically been a decorative organization, with educational policymaking and services remaining in the hands of decentralized organizations that were granted great autonomy. The law also created higher training centers for teachers and the Institute of Educational Evaluation.

LABOR RELATIONS

The Uruguayan Left has historically maintained a close relationship with labor unions (Lanzaro 1986, 2004a). This kinship was a decisive factor in the 1960s political events, which led first to the unification of the national labor federation (1964–66) and afterward to the foundation of the Frente Amplio (1971). In a typical social democratic path, a fundamental connection was forged between the unions and the left party, although each part also managed to maintain significant and shifting margins of autonomy. The link was displayed beginning with the democratic transition and contributed to the FA's subsequent political development.

This kinship was reflected in the first government of the FA. Almost 30 members of the initial cast were of union extraction: 2 senators; 8 deputies, including one of the presidents of the Chamber; 19 high ranking officials in public services; and 5 ministries, including the Ministry of Labor.

In turn, the policy adopted by the Vázquez administration with respect to labor relations had the clear stamp of the Left and reinforced the privileged links between the FA government, the party, and the unions. The most noteworthy measure in this area, one of the first and most significant of the new presidency, was the reinstatement of the Salary Councils. These are tripartite councils made up of government representatives, businesses, and workers, which institutionalize collective negotiations by branch of activity, in order to determine salaries and regulate labor relations.

The Salary Councils were instituted by law for the first time in 1943, under the government that initiated the progressive era of the "second batllismo" with the participation of workers and industrialists. The goal was to deepen the inward-oriented model of development of the time, creating a "new world" of relations between capital and labor. The system was terminated in 1968, when centralized government regula-

tion was established, with the aim of combating inflation by controlling prices and salaries. The situation subsequently worsened after the dictatorship that was installed in 1973 repressed unions and promoted the forced restructuring of labor. The Salary Councils were temporarily reinstated in 1985 at the beginning of the first presidency after the dictatorship. They were meant to be part of the consolidation of democracy, favoring the regularization of labor relations and the reorganization of the unions.[18]

The subsequent liberalization, seeking deregulation and flexibility of labor relations, led once again to their elimination in favor of decentralized and fragmentary negotiation, with growing tendencies toward individualization of labor contracts. This led to a period in which unions suffered an important withdrawal, taking refuge mainly in the public sector and in privileged areas of activity, such as the banking system. While their bargaining power concerning private labor relations was weakened, they preserved their National Labor Federation (PIT-CNT) and they recycled political unionism into opposition to neoliberal reforms, in particular to privatization of state enterprises and social services.

The restoration of the Salary Councils by the left government in 2005 had effects comparable to those of the first era of the councils in the 1940s, though with the basic difference that the peripheral Keynesianism that prospered at that time is no longer to be found. Indeed, now and earlier, the institution of these bodies stimulated the formalization of work and the rise in salaries, as well as the development of unions.

The current version of these councils has wider reach, going beyond their previous boundaries to include public employees, rural laborers, and domestic workers. There is another important difference, since in the new stage, the government has had a more active role; it established the guidelines for updating salaries, aiming to increase the income of the working classes, while at the same time seeking to control inflation.

The rise in salaries is partially a consequence of the economic boom but is also the result of actions taken by the government. The policy of the government sought to reverse the decrease in real private salaries, which amounted to a reduction of 25% between 1998 and 2004. During the FA administration, real wages recovered year after year, and by the end of the period 2005–10, they reached almost five points above the 1998 level (fig. 15.2).

The functioning of these councils also provided incentives for the consolidation of existing unions and the creation of new ones, as well as for union membership (figure 15.3). It does so by favoring the functions of the unions and according them public status, as representatives and intermediaries in defending interests and securing labor provisions.[19] Since 2005, more than 400 grassroots unions have been created and membership has greatly increased. This helped to reverse the pronounced reduction in the rate of unionization that occurred between 1985 and 2003, which particularly

affected workers in the private sector. By 2008, almost twice as many union members were registered as in 2003. This increase was more intense in the private sector than in the public sector, resulting in a more even participation in the two sectors (fig. 15.3).

Labor policy, which is to a large degree a type of social policy, is strengthened by other important actions that help to offset the effects of neoliberal policies and

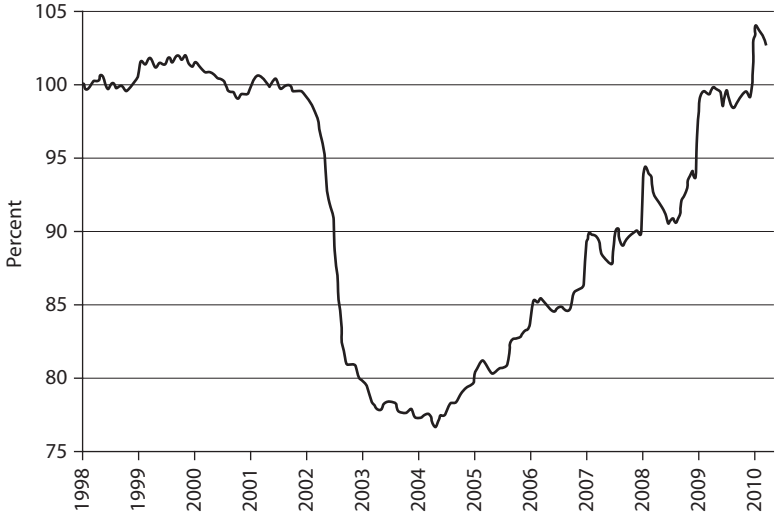


Fig. 15.2. Real wage evolution, 1998–2010. Index: Jan. 1998 = 100%. The data are for January of each year. *Source:* National Institute of Statistics (INE), Uruguay.

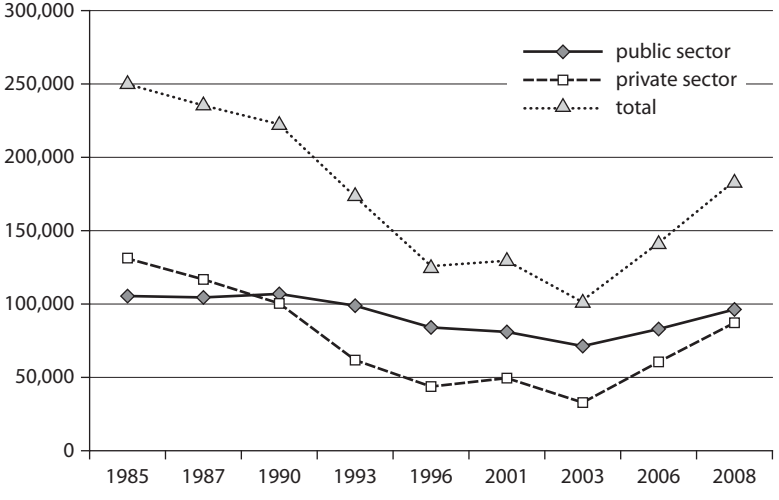


Fig. 15.3. National Labor Federation membership, 1985–2008. *Source:* Instituto de Ciencia Política 2009, based on the register of dues-payers for the PIT-CNT congresses.

limit employers' discretion. Among these, four initiatives are noteworthy: the Union Rights act, which establishes the rights of union leaders and members; the fight to reduce informal employment, with an increase in public control and a considerable increase in the registration of workers in the social security system; the "tercerizaciones" law, which makes large firms responsible for workers employed by subcontracting companies; and the law that decriminalized the occupation of factories and offices by workers, which set off a wave of occupations and generated fierce conflicts and strong criticism from business associations, causing even a complaint to the Uruguayan government by an International Labor Organization (ILO) Tripartite Committee. The Ministry of Labor made successive adjustments to this policy concerning occupations, beginning with a very permissive and practically encouraging position but eventually deciding on considerably more cautious regulations.

These policies amount to a social democratic neocorporatist arrangement, which is limited to workers and labor relations. Other initiatives by the government, aimed at establishing "social dialogue" with businesses through the creation of peak-level tripartite negotiations and macropolitical agreements, such as the Higher Salary Council and the National Economy Council, have not been successful.

This neocorporatist arrangement does not suffocate the autonomy of the unions. It also does not eliminate mobilizations and strikes, as unions sometimes offer criticisms of the government's economic orientations. In 2005–7, labor conflict, which decreased during the first year of the government, increased in the following years. Nevertheless, it was at the lowest level since 1995.[20]

Indeed, these corporatist relations form part of a political bargain, in which the unions moderate their activities and offer critical support to a friendly government, in exchange for both immediate achievements and long-term expectations. These consist of economic as well as political goods, power resources, labor provisions and legal advances, benefits for the organized working class, and benefits that reach other sectors of society, which are also appreciated by the unions. A balance is maintained between close kinship and relative autonomy, typical of the relationship of the unions with the government, which has not ceased to be molded by political competition, led by the sectors of the FA represented in the labor movement.

Conclusion: Social Democracy's Best Case

The first government of the Left in Uruguay is one of the cases of social democracy on the "global periphery" that have emerged in Latin America in recent years. In contrast to other contemporary left experiences, these governments are formed by an institutional Left and conducted by left parties with a solid trajectory, within the framework of a plural and competitive party system.

Uruguay's left government is a case of majority presidentialism, which includes strong presidential leadership and operates at the same time as a sort of cabinet government because of the FA's nature as a coalition party. Thanks to the political resources at its disposal (historical legacies in terms of state institutions, public policy and social welfare, the power quotient, parliamentary support and the strength of the governing party, social bases, and a close relationship to the union movement), this government has had greater social democratic potential than governments of the same type in Brazil and Chile.

As a result of this configuration, the left government has cultivated a moderate but effective reformism, which has entailed both continuities and important innovations. The parts of this transformative agenda that stand out most are human rights advances, tax reform in favor of a progressive income tax, and reinstatement of the Salary Councils, together with a renewal of the welfare state through social policies that involve targeted cash transfers, universal family allowances, and improvements in health. While labor policies favor the organized working class, family allowances and cash transfers represent an increased effort to cover all poverty-stricken groups and attend to vulnerable sectors, especially female heads of household and children, as important targets of a development strategy.

The renewal of the welfare state entailed the enhancement of political steering and the strengthening of the state. In the path of a pluralist democracy and following the best Uruguayan traditions, social policies are organized by law as social rights and undergo a process of institutionalization, which offers a higher chance of political sustainability.

Coda: The Second Term of the FA

The FA once again won the presidency in the 2009 elections, resulting in the second government of the Uruguayan Left, headed by José Mujica (2010–15). In contrast to the 2004 election, however, this time the FA did not achieve victory in the first round. Although it won a parliamentary majority and maintained its position as the dominant party, the cycle of sustained growth that began in the 1980s was broken; it lost two and a half points with respect to the previous election (48.0% instead of 50.5%). However, in the second round, Mujica got more votes for the presidency than Vázquez received in 2004 (52.4% compared to 50.5%). The Uruguayan electorate is roughly divided into two similar blocs, since the three opposition parties add up to 48.6% of the electorate. The FA second term, like the first, will be a single-party majoritarian government, but with a less comfortable parliament majority (50% instead of 52% in the House of Representatives and 17 senators out of 31 instead of 18).

During the electoral process and in the change of government, the plural and

competitive party system persisted, as did the institutional consistency of the Frente Amplio. Therefore, the conditions are in place for the social democratic experience to continue, although with different emphases and some variations.

At the beginning of the 2009 electoral cycle, such continuity could have been thought to be threatened. In the process to select the FA presidential candidate and during the campaign for the primaries, Mujica challenged the leadership of Tabaré Vázquez and successfully competed against his preferred candidate, proposing a more radical turn to the left. Mujica cultivated a populist profile—based on charisma, anti-establishment stances, and an appeal to the poor—that was strengthened by his somewhat bizarre and controversial persona. In this context, a particularly important factor was Mujica's background as a member of the 1960s guerrilla movement (Movimiento de Liberación Nacional [MLN-Tupamaros]), a revolutionary group that in those years was set against the institutional Left. With the return to democracy in 1985, the MLN decided to act "within the legal system," and in 1989, after a long wait, it was accepted as a member of the FA.

However, the institutionalized party system and the FA's internal balance of power do not favor any abrupt turn toward the radical Left or populism. Indeed, the pluralist and competitive political structures have done their work, moderating once again the strategies of the political agents. With the return of democracy, the Tupamaros had an incentive to hew to the electoral path, particularly after the 1994 elections, when the FA won 30% of votes and increased its likelihood of taking office. The institutional framework also had a crucial effect on Mujica's behavior as a presidential candidate. In fact, once he had won the nomination, he changed the tactic that he had utilized in the internal competition. He softened his leftist posture and adjusted his political message in order to contend for the Center, improved his personal image, and made his competitor in the primaries his vice-presidential candidate (Danilo Astori, minister of economy during the Vázquez administration), who appeared as a guarantee of moderation and continuity.

Upon assuming the presidency, Mujica took a step even further in this direction, which was received with approval by all political actors and which surprised many observers. The old guerrilla emphatically proclaimed his firm support for democratic institutions, pluralism, and party politics, ruling out revolutionary adventures and even calling for compromise with opposition parties. Furthermore, he praised the presidency of Tabaré Vázquez and explicitly announced his intention to continue the social democratic experience. The second chapter of this experience has begun, then, though with changes in the political scenario and the government agenda.

NOTES

1. In Latin America, as in other regions, the term *social democracy* is widely used. Other experiences have been described as social democratic, and the construction of social democracy has been proposed by some intellectuals and important political actors. Nevertheless, this is the first time that governments belonging to this category—governments possessing the specific characteristics laid out in this chapter and corresponding to a concept applicable not only to the European exemplars but also to the new Latin American cases—have truly become a reality.

2. I am referring to studies on "electoral socialism" in the interactive context of competitive party systems. Such studies include Kirchheimer 1966; Bergounioux and Manin 1979, 1989; Przeworski and Sprague 1986; Kitschelt 1993, 1994; Przeworski 2001.

3. As in western Europe, parties of the Left have acted as "pace-setters" of institutionalization, helping to maintain and consolidate it (Chile and Uruguay) or to improve it (Brazil). This has had repercussions on the entirety of each system and has led to emulation by other parties.

4. Applying Altman and Pérez-Liñán's effective competition index (2002) for 1989–2007, Brazil, Chile, and Uruguay have high and sustained scores, while in Bolivia, Ecuador, and Venezuela, effective competition is lower and descending (Lanzaro 2008).

5. We must not forget, however, that the late social democratic experiences of southern Europe occurred in countries that at that time were considered underdeveloped and peripheral (the "Latin Rim"). Spain, Portugal, and Greece all had dependent economies and unequal societies, had been governed by authoritarian regimes, and were characterized by weakness in the traditional pillars of social democracy: parties, trade unions, and party-union linkages (Gallagher and Williams 1989; Maravall 1992; Puhle 2001).

6. In Lora's Privatizations Index (Lora 2001), during the 1985–99 period, Uruguay occupied the lowest position out of 18 Latin American countries. It had the lowest value of privatized public assets in proportion to GDP (less than 0.1%). Brazil is in third place (more than 10% of GDP), followed by Argentina (somewhat less than 9%). The list is headed by Bolivia (almost 20%) and Peru (almost 15%).

7. Here I freely take up the notion of the "power quotient" coined by Merkel (1995), with some additions of my own.

8. The PT acts within a somewhat heterogeneous coalition, whose structure has differed in Lula's successive governments, having the centrist Partido do Movimento Democrático Brasileiro (PMDB) as the major partner. The PS acts within a coalition characterized by greater parity and homogeneity, based on an alliance with the Christian Democrats arrived at in 1988.

9. My assessment of ideological distance for the Lagos, Lula (I), and Vázquez presidencies is based on data from Alcántara Sáez 2004.

10. Handlin and Collier (chapter 6) confirm that the FA shows high levels of party identification and party activism, in comparison to its counterparts in Brazil and Chile (PT and PS). They also confirm that, in contrast to those two parties, the FA (as well as the MVR/PSUV in Venezuela), "made direct-contact linkages more frequently and displayed a greater degree of shared-member linkage with social organizations."

11. During recent decades, the FA has been the party that retains the most voters and best cultivates socialization, through family generations, collective organizations (trade unions, social movements, and NGOs), and the "capturing" of public education and its influence in

the cultural milieus, as well as its place in the national and the local governments (particularly in Montevideo).

12. After three consecutive terms in Montevideo (1990–2005), the FA held on to this bastion (61% of votes in a department that contains 42% of the electorate) and won seven other local governments. This means that during the 2005–10 period it administered eight of the country's 19 departments (73% of the population and more than three-quarters of GDP).

13. The annulment of the law was once again rejected in a referendum organized together with the 2009 national election.

14. In 2005–7, the GDP of Uruguay grew at a rate of 7.0% per year, while the average for Latin America as a whole was 5.3%.

15. Instituto de Economía 2008 is the source of all of the data utilized in this subsection.

16. Net foreign debt in the public sector stabilized and, owing to increases in reserves and the GDP, fell in proportional terms (from 74% in 2003 to 42% in 2007). However, gross debt has begun to increase again and continues to represent a very high percentage of GDP (71% in 2007), even though GDP has increased. The entire debt to the International Monetary Fund (IMF) was paid ahead of schedule (as in Argentina, Brazil and Chile), and there were also early payments to the Inter-American Development Bank and the World Bank.

17. MERCOSUR includes Argentina, Brazil, and Paraguay.

18. See Lanzaro 1986 for an analysis of these periods, with a special focus on the ebb and flow of corporatist linkages as strategic mechanisms for economic regulation and pieces of the political system in democratic regimes.

19. The leader of the national labor federation, Juan Castillo, said that a union "boom" was occurring and that the government, "by granting rights to workers," had become "an ally" of the unions (*El País,* July 21, 2006).

20. Catholic University Labor Conflict Index, 2005–09, Universidad Católica, www.ucu.edu.uy.

Peru

The Left Turn That Wasn't

MAXWELL A. CAMERON

The day after Alan García Pérez, former president of Peru (1985–90) and leader of the American Popular Revolutionary Alliance (Alianza Popular Revolucionaria Americana [APRA]) party, won the second round of the presidential election, the conservative newspaper *El Comercio* ran the headline "The Mandate for García Is Social Inclusion."[1] Owned by the aristocratic Miró Quesada family, which throughout much of the 20th century fought tenaciously against what they called "Apro-Communism," *El Comercio* lectured the newly elected president that he should, in the words of the scion of that great family, Francisco Miró Quesada Rada, invest in health care, education, housing, and communications to integrate the country; create the conditions for equitable citizenship; and overcome exclusion and marginality.[2]

El Comercio's surprising role reversal was matched only by García's transformation. A few days later, on June 11, in a conversation with a group of foreign reporters, the president-elect seemed to imagine a different future. Dismissing what journalists implied was an imperative to dedicate special attention to the southern highlands and the Amazon, where voters had rejected him in favor of left populist Ollanta Humala, García insisted that, having won the allegiance of 7 million voters who did not want Humala, he was not about to "Humalize" himself ("no me voy a humalizar"). "Let us not forget the message of the majority of the electorate," he reminded reporters, and then, in a striking twist on his 1985 campaign slogan ("My commitment is to all Peruvians"), García resolved: "My first commitment is to my program and my electorate."[3]

From the perspective of Latin America's left turns, Peru appeared to be a dog that did not bark—twice.[4] In the first place, conditions associated with the most radical shifts to the left elsewhere in Latin America were present, including the collapse of the party system, long-standing patterns of social exclusion that provided the basis for efforts to mobilize voters around ethnic consciousness (what the Humalas called "ethno-Cacerism"),[5] widespread rejection of the political class, and a resource boom

that exacerbated the inequalities between the coast, on the one hand, and the highlands and the Amazon, on the other. Where these conditions occurred elsewhere in Latin America, the populist or movement Left tended to win. Nevertheless, a majority of voters rejected Humala, a populist outsider cut from much the same cloth as Venezuela's Hugo Chávez or Ecuador's Rafael Correa.[6] Moreover, the remnants of the movement Left, which had emerged in Peru with the transition to democracy in the late 1970s, the United Left (Izquierda Unida [IU]), were virtually wiped off the political map. As a result, Peru seemed oddly out of step with the direction of much of the region.

Peru was also a dog that did not bark in a second sense: García could have governed from the left, but he chose not to. He chose not to "Humalize" himself partly because he intuited the logic of Peru's new electoral arithmetic. The commodity export boom had brought enough prosperity to poor voters in Lima to make them lukewarm toward Humala. Not only was Lima more influential in defining the election outcome than it ever had been before,[7] so that for the first time since 1980 Cuzco (the highland city, once the capital of the Tawantinsuyu, or Inca empire) found itself on the losing side of an election; just as importantly, the alignment of protest voters in the towns and countryside, so critical to the success of past antisystem candidates and the Left in the 1980s, failed to materialize. APRA won a plurality of the urban popular vote on the coast, while Humala won the voters in the south and central highlands and the Amazon; together they divided the voters who represented the natural constituency of the Left. This red-green schism was a key factor mitigating Peru's shift to the left in 2006, and the lesson for García was clear: a party that kept urban voters content could win without the support of the highlands and the Amazon.

One could argue that the Right had been unexpectedly trounced, leading to a runoff between the leader of a populist machine and a populist left-wing outsider. A victory by either was consistent with the broad spectrum of changes captured under the rubric of Latin America's left turns. But such an argument ignores the programmatic and ideological flexibility enjoyed by García as the leader of a machine party and his ability, given his location roughly in the center of the ideological spectrum, to tack left or right depending on those against whom he was running and which constituencies he sought to mobilize to vote. Sebastián Etchemendy and Candelaria Garay observe a similar pattern in their analysis of Argentina's Peronist Justicialista Party (chapter 12).

The Latin American Lefts may no longer be defined by a commitment to socialism, as Levitsky and Roberts note in their introduction, but they seek to attenuate if not reverse the effects of laissez-faire economics.[8] By contrast, García embraced the neoliberal economic model. He did so, in part, for tactical reasons. When he was a candidate, García's strategic interests were served in 2006—even more than in

2001—by a shift to the right that made him the default candidate of the establishment. There is little reason to doubt that García's conversion was sincere: he learned (or perhaps overlearned) from mistakes in office in the 1980s when he governed from the Left with disastrous consequences (Lynch 2009, 133). There was, however, more than electoral tactics and individual perceptions behind the shift to the right: García gambled that by accepting the neoliberal economic model that had begun to generate a high growth rate under the Alejandro Toledo administration, he could build a stable governing coalition.

The choice for APRA (which it could address by omission as much as active policy) was whether to govern on behalf of its electoral base, including the business establishment, or to govern for all Peruvians, including those who neither voted for APRA nor stood to benefit from the export-led economic model. The latter would require a strategy of articulating the coast and the highlands, creating economic linkages that would spread the prosperity into the interior through major social investments in the areas of the country that did not vote for APRA. Redistributing wealth would also require an investment in state capacity with an uncertain electoral payoff.

It is hard to find fault with the logic of García's decision not to pursue such a strategy. It is not my argument that García should have returned to the extreme populist macroeconomic policies he had adopted with such disastrous effects in the 1980s, and which most contemporary left governments have tended to avoid (see chapter 4), nor that he should have taken advantage of the commodity export boom to follow the Venezuelan or the Bolivian example (see chapter 3). By largely neglecting to pursue even moderately redistributive and state-building policies, however, García lost a golden opportunity to overcome, or at least attenuate, one of the great historical problems of Peru: its lack of integration and social cohesion and the inevitable corollary of extreme inequality and social exclusion.

The Left's Collapse and Failure to Come Back

The conditions under which the various left turns have occurred are diverse, occasioning a lively debate on their comparability (See Panizza 2005b; Castañeda 2006; Schamis 2006). Their simultaneity suggests that, taken as a whole, they may represent the most recent in a succession of dramatic cycles that have characterized the developmental trajectories of Latin American societies. With a common colonial heritage (Stein and Stein 1970), similar histories of capitalist development involving distinctive modes of incorporation into the global economy (Cardoso and Falleto 1979), and cyclical patterns of political instability (Collier and Collier 2002), the nations of Latin America have often seemed to share common logics of social change.

Throughout the 20th century, Peru's developmental trajectory tended to conform

to regional trends, broadly speaking, but Peru also exhibited peculiarities. It both conformed to and deviated from regional patterns in ways that made it reasonable to expect the country to form part of Latin America's left turns. Like other primary-export-based economies in the region, Peru depended on external forces to generate growth; and policymakers generally failed to redistribute the benefits of economic development in ways that would attenuate inequality. Instead, capitalist development reinforced the dualistic structure of the economy (see Thorp and Bertram 1978). Moreover, Peru pursued an export-oriented economic model well into the 1960s, far longer than most of the other countries in the region. When it finally abandoned the export-oriented model and began to actively promote industrialization, it did so not under an electoral-populist coalition but under military rule.[9]

A military regime implemented reformist, state-led development policies in the 1970s, encouraging land reform, industrial communities, rapid unionization, and generous wage settlements while at the same time closing the door to democratic participation. The Peruvian military regime did not align itself with Washington's Cold War policies, defiantly maintaining relations with both the Soviet Union and Cuba. Although it was not the intention of the officers in power, a consequence of their reforms was to foster the rise of a powerful Peruvian "new left" (Stephens 1983). The emergence of a movement Left created divisions within the military regime and pressures for extrication. In this way the Left contributed to democratization, but the Left itself was not united in its commitment to the democratic rules. Although most of the movement Left embraced electoral democracy, forming the IU coalition to contest elections at the national and municipal levels in the 1980s, radical Maoists from the Shining Path (Sendero Luminoso), one of the most violent revolutionary movements in Latin American history, emerged out of the failure of land reform in the highland department of Ayacucho and spread throughout the country (Palmer 1992).

The internal conflict cost Peru an estimated 70,000 lives between 1980 and 2000.[10] This bloody counterinsurgency war distinguishes Peru from its Andean neighbors Ecuador and Bolivia (see chapters 10 and 11) and helps account for the relative weakness of the Left.[11] During the uneasy coexistence of counterinsurgency and electoral democracy, Peruvian governments shifted erratically from the Center to the Left and back to the Right. Centrist President Fernando Belaúnde Terry (1980–85) of the Popular Action Party (Acción Popular [AP]) was followed in office by the charismatic young Alan García Pérez (1985–90). The spectacular failure of García's heterodox economic strategy, and the ensuing hyperinflation and recession, go a long way toward explaining García's later tack to the right, but at the time it was the IU that suffered most immediately in political terms (see, e.g., García Pérez 2005).

The IU, widely seen in the mid-1980s as one of the progressive forces with the greatest promise of taking power in South America, failed to transform itself into

an institutionalized partisan Left. It was effectively put out of business by the 1990 election for three reasons. First, neoliberal candidate Mario Vargas Llosa's campaign successfully revived the old bogeyman of "Apro-Communism," with warnings that a victory by the Left would deepen Peru's crisis. Second, the IU divided into two factions, presenting two ideologically indistinguishable candidates, Henry Pease and Alfonso Barrantes. Finally, as Kenneth M. Roberts notes, "the polarization of the democratic left cannot be understood in isolation from the impact of the Shining Path insurgency" (1998, 257). Caught between APRA and the Shining Path, assailed by the Right, and beset with its own internal divisions, the IU fell apart.

Not only did the catastrophic crisis of the late 1980s slam the door on the Left's greatest historical electoral opportunity of the 20th century; it created a generalized perception of threat to the political order in which an "outsider" like Alberto Fujimori could win power and then, dissolving Congress and suspending the constitution, autocratically implement brutal counterinsurgency and neoliberal economic policies.[12] The capture of Shining Path leader Abimael Guzmán in 1992 and the end of hyperinflation further undermined the power and prestige of the Left and in general contributed to the collapse of the party system (in which only the APRA party survived).[13]

Fujimori understood that the key to his regime's electoral survival lay in attending to the interests of voters who had in the past voted for the Left, who felt excluded by the traditional parties, and whose loyalty could be purchased through concrete and targeted policy measures and spending. At the same time, he kept business and the urban middle classes content with economically orthodox macroeconomic policies. He was a neoliberal populist in the sense that he implemented wrenching market reforms while attacking established political parties and governing in a personalistic and plebiscitary style (Weyland 2003, 1095–96, 1102–4).

After the collapse of the Fujimori regime, and following a brief interim government, Alejandro Toledo was elected president (2001–6). He won votes in the same areas where Fujimori had, and he persisted in the same macroeconomic policies; he failed, however, to understand the critical importance of targeted social spending to sustaining political support. By relying too much on neoliberal technocrats, he failed to make sure the benefits of economic growth would trickle down to the south or central highlands and the Amazon. Conditions seemed auspicious for a new swing of the pendulum away from promarket policies. Instead, García, overcoming his bête noire reputation, was (again) elected, this time on a platform of "responsible change." He was the only party politician to win election in all the recent elections in the Andean subregion on the ticket of an organized political party.

From the preceding narrative, two closely intertwined reasons for the failure of Peru to conform to the regional trend can be extracted, one political and the other

economic. First, whereas elsewhere in the region democratization and the end of the Cold War reduced the elite perceptions of the threat posed by the Left, in Peru democratization coincided perversely with greater threat and violence. The violence, combined with a deeply traumatic hyperinflationary episode, affected mass attitudes as well, turning a country with some of the most radical social movements in the region, and a history of militant class struggle (*clasismo*), into a deeply cynical and fearful nation willing to give itself to an authoritarian leader able to guarantee order and economic recovery.

The second major reason for the failure of Peru to go left in 2006 is that the working poor, in Lima in particular, did not align their votes with the preferences of voters in the Andean highlands, as they had in the past. Lima was the decisive electoral battleground in the second round of the presidential election, and the urban poor voted overwhelmingly for APRA rather than Humala. The worker-peasant electoral alignment that had underpinned the success of the Left was rent asunder, both by the relatively greater prosperity on the coast and by the greater willingness of highland and Amazon voters to overlook questions about Humala's military career.

To summarize, the analytical challenge posed by Peru is to understand how a specific combination of the factors that caused left turns elsewhere, coupled with idiosyncratic features of the Peruvian case, resulted in a different outcome, recognizing that in important respects Peru conforms to regional patterns even though it did not shift left. In particular, it is one thing to suggest that Shining Path violence, and the state response under Fujimori, make Peru's political trajectory distinctive in relation to regional patterns; it is quite another to show *how* this, in combination with other conditions, some of them unique to Peru and others common to the region, may have altered Peru's subsequent political trajectory in the 2000s. The remainder of this chapter analyzes the causal mechanisms culminating in the outcome of the 2006 election; traces these, where possible, to deeper structural and historical factors; and makes educated guesses about what the likely implications are for Peru under APRA and beyond.

Cleavages, "Outsiders," and Elections in Peru

To explain and interpret the outcome of the 2006 election, it is necessary to understand the interaction among (1) Peru's fractured social structure (especially the cleavage between the increasingly prosperous and outward-oriented coast and the largely neglected and impoverished south and central highlands and Amazon); (2) the institutional context, specifically the weakness of the party system and its vulnerability to "outsiders"; (3) the ways in which promarket policies (especially in the context of commodity export boom-and-bust cycles), corruption, and pervasive inequalities

can generate a milieu of social protest and electoral volatility; (4) the historical limits of the Right in Peru (to wit, its difficulty reaching voters beyond Lima); and (5) the impact of the Shining Path on the electoral Left, the inhibiting effect of internal conflict on social mobilization, and the ongoing struggle to come to terms with an unspeakably painful past.

Since the 1980s, the Peruvian party system has typically been divided into three main blocs (Cameron 1994). Most voters are located in the center, but there are numerous voters on both the left and the right. As any spatial model would predict, the distribution of electoral preferences has produced multiple parties—historically, the most important of which are APRA and AP—in competition to occupy the Center and minor parties or coalitions of the Left (the IU) and the Right (the Partido Popular Cristiano, or Popular Christian Party [PPC]) that have typically won congressional representation but have never formed a government. Parties of the Left and the Right have tended to have difficulty expanding beyond their core constituencies. The Left was linked to organized popular sectors, while the Right had difficulty winning votes outside of affluent sectors of Lima. The problems facing extremist parties should, in principle, guarantee the success of centrist parties, assuming they can govern with minimal competency. However, poor performance in government by centrist parties (especially AP in 1980–85 and APRA in 1985–90) resulted in a tendency by voters to turn their backs on all parties.

With the exception of APRA, Peruvian political parties have little organizational presence outside of Lima; voters in much of the rest of the country have virtually no linkages to parties except at election time. Since the late 1980s, the spatial (that is, left-right) dynamics of party competition have been disrupted by the emergence of "outsider" or "independent" candidates. The most successful example of such candidates was Alberto Fujimori, who won the presidency in the 1990s and governed until 2000. Fujimori built an urban and rural electoral base on the shantytowns of Lima and other major cities and the impoverished Andean highlands and Amazon. Although he pursued policies that endeared him to the business community and foreign investors, he worked assiduously to cultivate marginalized voters with programs and funds that channeled resources to them. When his increasingly corrupt and authoritarian regime collapsed owing to internal problems, Alejandro Toledo, another independent candidate without a minimally organized party, won the presidency with support from exactly the same classes and regions: the shantytowns of Lima and the south and central highlands.

The vote for candidates like Fujimori and Toledo can be interpreted as expressions of protest, but also as a way of leveraging resources from the Center. The protest vote comes from the poorest classes and regions of Peru. To get a sense of the geographical distribution of poverty in Peru, a social spending fund aimed at poverty allevia-

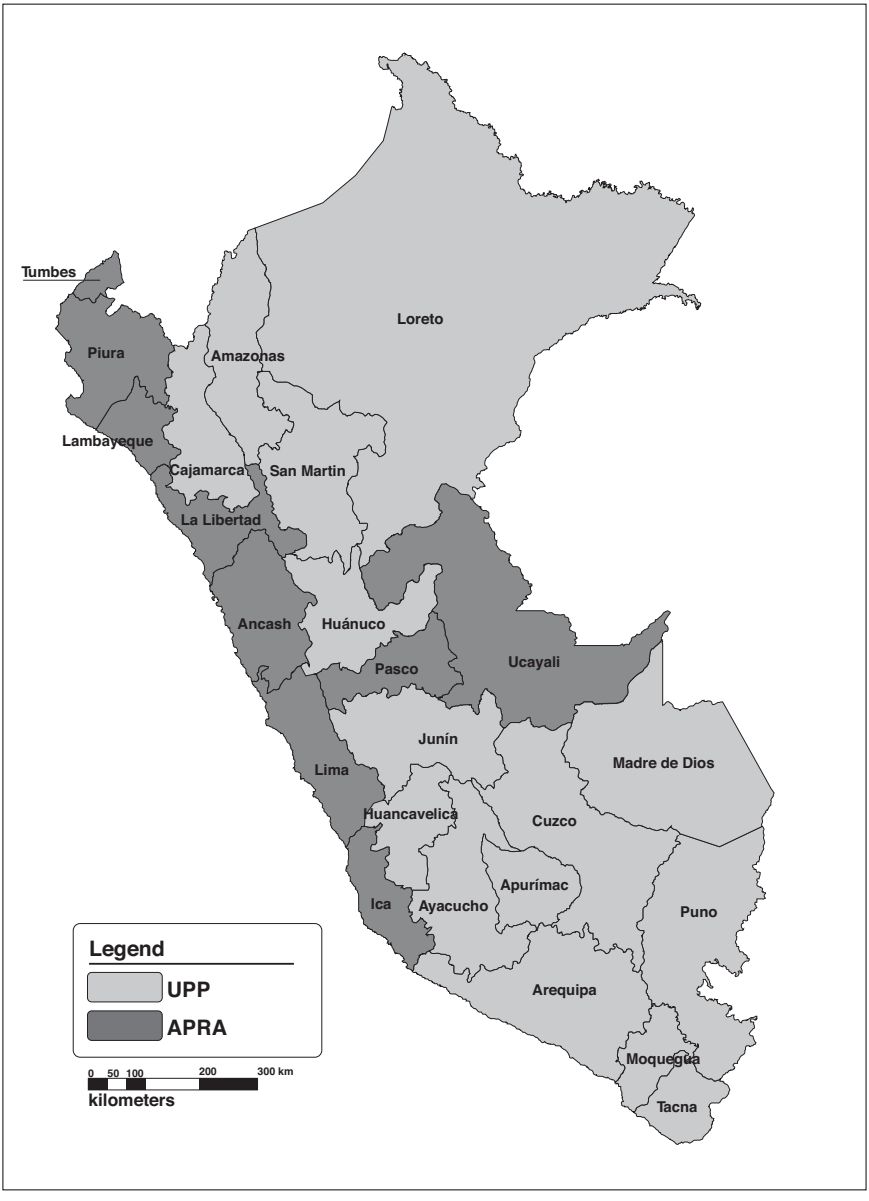


Fig. 16.1. Peruvian presidential runoff election, 2006. *Source:* Elaborated using graphics from the Fondo de Cooperación Para el Desarrollo Social (FONCODES), 2006 (http://foncodes.gob.pe/mapapobreza/) and electoral data from "Politika: Blog de Fernando Tuesta" (http://dia.pucp.edu.pe/proyectos/fernandotuesta).

tion and named Fondo de Cooperacion Para el Desarrollo Social (FONCODES) has collected data on the departments of Peru according to levels of poverty. Wealth is concentrated along the coast and in Lima, and poverty is most acute in the highlands and the Amazon jungle.

The map of the results of the second round of the presidential election (fig. 16.1) shows a rough correspondence between the geography of poverty and the protest vote. The voters who supported Humala tended to inhabit in the rural regions where poverty is concentrated, which are least regulated by the state, where the Shining Path began its armed actions or spread during the 1980s, and where drug trafficking and violence were (and remain) most endemic. These areas are not well represented by traditional political parties, they are largely unregulated by formal legal and political institutions, and they are also the flash points of greatest dissatisfaction with democracy.

There are strong similarities in the breakdown of the vote in 2001 and in 2006. In 2001, Alejandro Toledo's Perú Posible (PP) party won clear pluralities of the vote in those departments with the lowest scores on the Human Development Index (HDI) (Huancavelica, Apurímac, Ayacucho, Huánuco, Cuzco, Cajamarca, Puno, Amazonas, and Loreto). Geographically, these are mainly departments of the southern and central highlands and the jungle regions (though Cajamarca is a highland department in the north). The vote in Lima was divided roughly into thirds between PP, APRA, and the Right (Unidad Nacional [UN]). Toledo's PP also did well in the southern coastal departments (Arequipa, Moquegua, and Tacna), which have comparatively high HDI scores. They are contiguous units with a history of social protest and contestation for power with Lima. Although they are not among the most underdeveloped parts of Peru, they share a common sense of neglect by Peru's centralist state and have often voted against Lima.

In the contest for second place, APRA did best in Lima and its "solid northern" bastion La Libertad, as well as in prosperous parts of the coast. The Right, under Lourdes Flores Nano of UN, bested APRA in Lima, Arequipa, parts of the northern coast (Tumbes), the central and northern highland departments (Junín and Cajamarca), parts of the jungle (Amazonas), and, most interestingly, the southern highlands (Huánuco, Ayacucho, Apurímac, and Huancavelica). Yet its vote in these departments was nowhere nearly as strong as Toledo's PP. In the second-round runoff between Toledo and García, the patterns are even further accentuated. Toledo won by holding Lima and the south and central highlands, while APRA held Callao and parts of the North.

If the vote for "outsiders" is partly driven by the hope of redistribution through semiclientelistic exchanges (electoral loyalty for a share of social spending), it is generally agreed that Alejandro Toledo failed to live up to his end of the bargain while

in office. His government achieved a respectable 5% growth rate through orthodox economic policies, but neglect of the highlands, the South, and the Amazon resulted in important regional protest movements, some of which had their epicenter in Arequipa. There were also corruption scandals around the president's family members. The Toledo government became one of the least popular in recent memory, with presidential approval ratings falling to about 10% in the year before the election and then recovering slightly, above all in Lima, in the last year of his term in office.[14]

With Peruvians enjoying the benefits of strong macroeconomic performance, the business community and government technocrats were optimistic that most voters would support business as usual. Toledo and his palace technocrats threw their support behind Flores as the candidate who would best guarantee macroeconomic continuity. Despite an early lead in the polls, she and her foreign image advisers failed to anticipate how difficult it would be for her, an affluent professional from Lima, to give expression to rising anger among voters outside Lima who felt left behind by the growing economic bonanza in the coast. The angry mood needed a voice to give it expression. Why was Peru's Left unable to provide this voice?

The Left failed to express the mood of frustration not only because it was stigmatized by a perceived association with revolutionary violence, though that may be part of the story, but because from the 1990s onward it could not sustain the practices and strategies of militant *clasisimo* that had created the social power upon which it rested as a political force. Even after the defeat of the Shining Path in the early 1990s, Peru experienced various waves of social protest. From the student movement against Fujimori and the mass protests following the unfair and manipulated elections in 2000, to the protests against privatization in Arequipa in 2002 and the various regional defense fronts and protests by coca growers, Peru has seen more than its share of social conflict. Yet these protests have remained scattered and disarticulated; they were not gathered up into national confederations nor articulated by political parties as part of a programmatic alternative, and this helps account for both the relative weakness of Humala's electoral insurgency and García's ability to shift to the right.

In addition, the much weaker development of indigenous mobilization in Peru results partly from the trauma of violence arising from the struggle between the state and the Shining Path and partly from the intensity and breadth of class-based mobilization in the Peruvian countryside. Neither Ecuador nor Bolivia experienced comparable levels of rural class-based mobilization (except in the mines in Bolivia), much less the degree of violence. In the 1970s and 1980s, Peru's Left derived its energy from powerful social movements (regional protests, land seizures, squatters' settlements) and organizations (trade unions, peasant cooperatives) that encompassed town and countryside, workers and employees, North and South. The Left bridged the urban popular sectors and the rural highlands. After the collapse of the IU in the early 1990s,

first Fujimori and then Toledo built electoral bases on the very constituencies that had supported the Left, but they did not build lasting political or party organizations. Without the Left to provide coherence to popular movements, and in the absence of party vehicles, the mood of frustration expressed in the 2006 election was given a less coherent voice by a leader without a trajectory of direct involvement in popular struggles.

Polls in late 2005 showed that voters who once had supported Fujimori, and later Toledo, were beginning to flirt with Ollanta Humala.[15] The protest vote rallied around Humala as soon as it became clear that Fujimori—arrested in Chile en route to Peru, where he had pledged to contest the election—was out of the running. Ollanta Humala had first won notoriety in a farcical uprising against the Fujimori government in 2000. He was pardoned by Congress after Fujimori fled, and he was later given military posts without command over troops. After his retirement, he and his brother Antauro Humala organized military reservists—former soldiers, many of whom had fought the Shining Path or had fought in the brief war with Ecuador in the late 1990s—into the Peruvian Nationalist Party (Partido Nacionalista del Perú [PNP]), but they did not have the party registered in time to run for the election. The PNP merged with another ephemeral party, the Union for Peru (Unión por el Perú [UPP]), which was registered but lacked leadership.

The election of Humala would have been considered a left turn, even though the remaining fragments of the once-powerful IU were wiped out, because he (1) articulated a coherent left-wing platform (called the "great transformation," an allusion to the famous book by Karl Polanyi by the same title); (2) recruited prominent left-wing intellectuals; (3) occupied the ideological space in the electoral arena normally reserved for the Left; and (4) won the votes that in the past have been the mainstay of left-wing support. That said, his military background, his lack of coherent party organization, and his discourse, redolent of the military regime of the 1970s, made Humala seem a lot more like Hugo Chávez in Venezuela than the left-wing forces of Peru's past.

There is no doubt that Ollanta Humala could have won the election in 2006. To do so, however, he would have needed the support of the same voters who elected Toledo, Fujimori, and, back in the 1980s, the IU. He came very close. Indeed, Humala won the first round of the presidential election, and under Mexican electoral rules, he would have assumed the presidency. If Peru did not have a system of ballotage, or run-off election in the event that no candidate wins more than 50% of the vote, Humala would have formed the government, and the pundits would have said Peru had "gone left" along with its neighbors. There were no deep structural forces that prevented Peru from moving in this direction. All Humala had to do was to retain his support in the south and central highlands and the Amazon and improve his performance in

Lima, especially in the shantytowns. Instead, lacking good advisers, Humala chose to polarize the electorate and drove a wedge between himself and the urban poor. The outcome supports Catherine M. Conaghan's insistence (chapter 11) that campaigns matter. Whereas Ecuador's Rafael Correa skillfully parlayed a second-place finish in Ecuador's first round into a victory in the runoff, Humala snatched a second-round defeat from the jaws of a first-round victory by misreading his electorate. He failed to understand that messages that played well in the highlands would not necessarily work in the cities.

Humala's support in the highlands owed much to the role of military reservists, many of whom had deep roots in rural communities. Reservists served Humala much as evangelical churches had helped Fujimori to get his word-of-mouth campaign into remote communities where the media—above all, the printing press—cannot penetrate. But urban voters were spooked by allegations that Humala had committed human rights abuses during his posting in Madre Mia in Huanuco in the 1990s. Lima's daily papers and television stations hammered Humala with credible allegations of abuse. The Peruvian elite suddenly discovered a concern for human rights, after years of ignoring or downplaying the findings of the Truth and Reconciliation Commission. The message that Humala may have been responsible for extrajudicial killings or torture damaged the candidate's reputation, as did his refusal to clarify the issue. By insisting that the Ministry of Defense could answer any questions about his service record, Humala created the impression that the allegations had some foundation. Yet these concerns appeared not to bother voters in precisely the regions where the violence had been most intense, including the area where Humala served (which voted overwhelmingly for his candidacy). In short, the human rights issue played differently in Lima and in the former conflict zones.

There were other issues that exposed cleavages between rural and urban voters. Rural voters tended to be more sympathetic than urban voters to the idea of "industrializing coca" (that is, legalizing the production of the coca plant for the purpose of producing related products such as oils and teas). Here again the contrast with Bolivia is instructive. Evo Morales rose to prominence as a leader of coca producers in the struggle against eradication policies. This was not an obstacle to his winning national power in part because voters in the highlands represent a majority of the electorate, as they do not in Peru. In addition, the Peruvian state has been more successful in criminalizing the cultivation of coca and stigmatizing the cultivators as terrorists (Durand 2008, 55–61). Rural and urban voters also responded differently to Humala's call for nationalization of strategic industries. For urban voters in the coast, who were beginning to see greater prosperity on the horizon, Humala offered little reassurance that he would not kill the goose that lays the golden eggs.

Humala was neither an effective campaigner like Correa, nor a disciplined and in-

spiring organizer of social movements like Morales. The disorder in his entourage—including blackmail and mock assassination attempts, a fatality caused by a road accident during a media chase, the siege of locales by angry militants, statements to the media by family members that raised eyebrows,[16] and indications of corruption in his entourage—caused dismay among voters, some of whom heckled him ("get out, corrupt!") when he visited shantytowns in Lima. He was unable to effectively manage the meddling of Chávez in the Peruvian election. García ably exploited (and indeed, provoked) Chávez's clumsy attempts to influence the outcome of the election and used these gaffes to generate support for his own candidacy by portraying himself as a victim of foreign intervention.

In spite of all the obstacles, Humala won a first round in the presidential election. He did so without a substantial share of the vote in Lima because he won absolute majorities in enough departments in the south and central highlands, including Cuzco and Puno. The results for APRA and UN were strikingly similar to those of 2001, with the difference that both lost ground, especially Flores, in the areas where Humala was strongest. Yet Humala's victory was by a narrow margin (30.6% versus 24.3% for APRA). The margin between García and Flores was even slighter (Flores won 23.8%). Indeed, García won by only one voter per polling station in Peru (there were 80,000), and Flores alleged that García's victory would not have been possible without the help of fraud in rural areas, an allegation she was unable to fully substantiate. Her elimination from the election left the 30% of the vote in Lima up for grabs.

García won the second round by capturing more of the votes that originally had gone to Flores. This result was almost inevitable given the nature of the first round and the mistakes made by Humala; however, a stronger showing by Humala in the poor districts of Lima could have made a difference. There was not a single district in Lima that gave a majority of the vote to Humala over García, an astonishing victory for APRA. García increased his vote in Lima from 22% to 62% between the first and second rounds, while Humala went from 24% to 38%. This suggests that García won not only almost every vote that had gone to Flores in the first round, but considerably more votes as well. Yet APRA won only 27% of the vote in Cuzco and 35% in Arequipa. In Ayacucho it won only 17%, while Humala carried an astonishing 83% of the vote. Rarely had Peru been more polarized between Lima and the coast, on one side, and the highlands and the jungle, on the other.

APRA in Government: The Rightward Shift

APRA in government was a dog that did not bark in the sense that President García could have governed from the Left, as he had in the past, but chose not to. His ideological transformation is captured by an editorial that appeared in *El Comercio,*

entitled "The Syndrome of the Dog in the Manger" (García Pérez 2007). In Aesop's fable, a manger dog is roused from sleeping on a bale of hay by hungry cattle; the dog snarls and barks so that the cattle cannot eat. The moral is, Some people neither eat nor let others eat. García's neoliberal spin was that the state obstructs progress—it does not allow development, nor does it create development itself. García would muzzle the manger dog.

The op-ed was consistent with García's effort to overhaul Aprista ideology in the light of what he saw as the demands of modernization and globalization in the 21st century (García Pérez 2005, 2007). But his government could be considered orthodox along five additional dimensions. First, García relied on the support of Unidad Nacional (UN) and the Alianza para el Futuro (AF) (the initials AF stand, of course, for Alberto Fujimori) in Congress, as well as neoliberal technocrats in his cabinet. Second, he pursued orthodox, growth-first, macroeconomic policies. Third, he did not make the social investments necessary to ensure that the rising tide of commodity-led growth would lift the fortunes of impoverished highlanders. Fourth, he clamped down on protest, vilified opposition, and attacked NGOs. Fifth, he aligned his government with the United States and Canada, negotiated free trade agreements with both countries, and repeatedly distanced Peru from more radical governments in the regional neighborhood.

With 36 seats in a 120-seat Congress, APRA managed to repeatedly elect its own members to the post of speaker and thus control the legislative agenda by negotiating the support of legislators from UN and AF, with their 17 and 13 seats, respectively. The support of these parties was ensured, in part, by appointing neoliberal technocrats to key economic portfolios. The first minister of finance was Luis Carranza (2006–8), formerly chief economist at the Banco Bilbao Vizcaya Argentaria (BBVA) and a consultant to the Inter-American Development Bank; he was replaced in 2008 by Luis Valdivieso, a former official from the International Monetary Fund.

García also appointed members of UN to his cabinet: Antero Flores Aráoz, a longtime rival of Lourdes Flores Nano for the leadership of the PPC, was selected minister of defense; and Rafael Rey Rey, another Flores rival, became minister of production. The appointment of Flores Aráoz signaled García's desire to consolidate conservative support in Lima. The cozy relationship between García and the mayor of Lima, Luis Castañeda Lossio, whose rupture with Flores Nano in 2008 marked the dissolution of Unidad Nacional, obeyed the same logic. More controversially, García hotly denied allegations that there was a secret deal between APRA and the Fujimoristas to provide a more comfortable prison regimen for Alberto Fujimori in return for the support of AF in Congress.[17]

With a conservative congressional coalition and cabinet, the APRA government followed orthodox policies, and at least in macroeconomic terms, the results were

impressive.[18] The Peruvian economy sustained high annual growth rates of between 7% and 9% in the first three years of the APRA government. Investors responded positively, raising Peru's credit rating to investment grade. As John Crabtree noted, however, García went to the opposite extreme from his first administration, "in an attempt to bury all vestiges of his earlier preference for a leftwing agenda."[19] So complete was the transformation that Lourdes Flores accused García of being "a president for the rich," complaining that he had ignored the need to transform the state into an instrument for social policy. "I see progress on the coast," she said, "but I don't see the highlands being incorporated into the market."[20]

The García government did not alter generous tax benefits given to large mining companies, which could easily have been renegotiated; generous concessions were given to the Spanish firm Telefónica; a bill to provide public financing for political parties was abandoned; the salaries of senior civil servants and parliamentarians were cut; a concerted effort to assert partisan control over the judiciary was made; anti-corruption policies were neglected; and crucial public administration reform initiatives languished (Lynch 2009, 133–39). In the area of social policy, despite fiscal surpluses, the government failed to make the expenditures necessary to overcome Peru's legacies of social exclusion.

Social spending in areas like education and health remained well below regional averages. Spending on education actually declined under García to 2.5% of total government expenditures, down from about 3% at the beginning of the decade, making Peru one of the countries in Latin America with the lowest level of investment in education (Comisión Económica [ECLAC] 2010, 57; Tanaka and Vera 2010, 107). Similarly, spending on health declined from the modest level of 1.2% to 1.4% of total government expenditures at the start of the decade to around 1% and even below (0.9% in 2008) (Comisión Económica [ECLAC] 2010, 62). These figures have to be put in the context of GDP growth rates of 8.9% and 9.8% in 2007 and 2008. In other words, the decline in social spending preceded the downturn in 2009, when GDP growth fell flat (0.9%) (IMF 2010b).

It would be inaccurate to say that García neither tried to reduce poverty nor succeeded in doing so. Legislation was introduced to expand social security,[21] so that by 2009, 68% of those below the poverty line and 75% of those in extreme poverty had social security coverage under the Seguro Integral de Salud (INEI 2010, 40). But reductions in poverty were mainly the result improvements in GDP per capita. Under the first three years of the García administration (2006–8), per capita income rose from $7,100 to $8,600 before plateauing in 2009 (IMF 2010b). Poverty dropped over the same period from 45% to 35% (12). However, improvements in purchasing power were largely concentrated in Lima and the coast. In 2009, whereas 35 of every 100 people in Peru fell below the poverty line, 21 out of 100 fell below that line in

the coast (14 of 100 in Lima), and 60 of every 100 persons in the countryside (18). Poverty rates were approximately double the national averages in departments such as Huancavelica, Apurímac, Huánuco, Ayacucho, and Puno. Poverty actually increased in the Amazonian regions (22). In those areas dissatisfaction with the APRA government quickly boiled over into angry protests.[22]

Finally, to complete the picture, the APRA government aligned with the United States and other market-oriented countries in the hemisphere. Despite his promise to review the Peru-U.S. Free Trade Agreement, García not only accepted the deal negotiated by the Toledo administration but worked assiduously to ensure its passage through the U.S. Congress in the fall of 2007; he attended a ceremony in Washington in December of that year to promulgate the agreement. A similar free trade agreement (FTA) was negotiated with Canada. This did not seem like too much of a break with the past for García, who insisted that APRA's founder Víctor Raúl Haya de la Torre "foresaw and announced" the Free Trade Area of the Americas (FTAA) "as early as 1940" (García Pérez 2005, 142). For his transformation, García was rewarded with high praise from his former adversary and neoliberal champion Mario Vargas Llosa, who hailed his commitment to "private enterprise and the markets."[23]

The García government neglected the needs of the poorest populations in the highlands and the Amazon. There were two reasons for this: electoral logic and state incapacity. As noted, García was elected with votes from the coast and Lima and was largely rejected in the south and central highlands and the Amazon. The precariousness of APRA outside the coast was exacerbated by the regional, provincial, and municipal elections of November 19, 2006, which were swept by independent candidates with few ties to national political parties. Regional politics do not mirror national-level dynamics, making it hard to infer that the result was a repudiation of either García and the APRA or his opponent, Humala, who did even worse. However, the collapse of support for national parties in 2006 was stunning, and it created a situation in which power at the local and regional levels lay in the hands of politicians whom APRA could not control and with whom the central government would in be a constant tug-of-war over the allocation of resources.

To make matters worse, regional leaders sometimes resorted to the use of mass protest, even violence, to get national attention. Strained relations between the regions and the central government made it harder to attend to the demands of precisely those regions where APRA was least popular. In a heavy-handed bid to rein in regional leaders, García used special powers granted the president by Congress to pass a decree prohibiting regional presidents from participating in strikes.[24] At the same time, he used social spending to reward friends and punish foes. To quote Crabtree again: "The government seeks to use its control over the purse-strings to establish privileged relationships with some, marginalising others. Although some regional governments

receive substantial autonomous funding, most remain highly dependent on transfers from Lima. Local officials, who want to be seen promoting public works in their districts, are reliant on central government for much of the money they need."[25] In a speech in the district of Lurín in Lima on December 16, 2007, Prime Minister Jorge del Castillo implied that priority in social spending would be given to those who had voted for APRA in the previous election: "The government is obliged to fulfill its promise to the people who voted for it." Although the speech was widely criticized, and García distanced himself from Del Castillo's remarks, government spending priorities did not contradict the speech.[26]

More important than the electoral logic, however, was the lack of state capacity to redistribute income. García had promised to reduce poverty to 30% by the end of his term. But he was hindered by a public sector so debilitated by neoliberal restructuring as to be unable to spend the substantial resources flowing into government coffers.[27] Since the 1990s, much of the social spending in Peru was channeled through dozens of "special funds," designated for a diverse array of specific purposes (Barrantes 2007). These funds created rigidities in public spending and reduced the capacity of the government to use public resources to achieve redistributive goals.

One of the most controversial of the public funds was the mining canon, a levy paid by mining companies to finance local projects. With the boom in metal prices, the mining canon grew from around $600 million to $1.85 billion in the first two years of the García administration. Yet 5 of Peru's 25 provinces received most of the funds: "Huancavelica province, where more than 80 percent of the population lives in poverty, received a mere 13.4 million dollars from the canon minero fund last year, because unlike Áncash, it is not a major source of minerals like zinc, copper and molybdenum."[28] Lacking state capacity, the mining canon became a new version of the old resource curse: it resulted in a massive influx of income for the central government, which was unable to use the revenue to diversify the economy and place the country on a path of sustained development (Arellano 2008).

Moreover, the mining canon fueled discontent. In Moquegua in June 2008, for example, local authorities encouraged protests over the distribution of the mining canon between their department and neighboring Tacna. The protest quickly escaped their control, and when police were sent to break up demonstrators who had blocked traffic across a bridge, the mob took the police hostage and held them prisoner for 24 hours. The police chief apologized to the protesters, for which he was later reprimanded, but Prime Minister Del Castillo rewarded the protesters and the local government by promising to change accounting practices of the mining company involved, Southern Peru, so that more resources would reach Moquegua.[29]

In other cases, bureaucratic procedures seemed to stymie efforts to release funds for investment projects.[30] Millions of dollars sat waiting in government coffers to be

released to the regions. At one point, García lashed out against regional governments, saying that if they were unable to spend funds from the canon, they should give them back to the central government, which would know what to do with them.[31] Regional leaders responded by accusing the central government of taking too long to approve requests for funds, saying that the National System of Public Investments (SNIP) and other administrative procedures were too bureaucratic. Part of the problem lay in the lack of high-quality personnel at all levels of the Peruvian public sector. The regional governments generally had little capacity to develop and implement projects or to manage their relationships with the central bureaucracy in Lima. After years of cutbacks and layoffs, Peru was unable to administer an economic bonanza to achieve redistributive goals.

García's threat to claw back resources from regional governments was not idle. The budget for 2009 centralized social spending in the Ministry of Finance, creating a $233 million contingency fund and a $523 million fund for regional and local public investments.[32] Critics feared that the government would use these massive funds for political purposes, both to control regional governments and to boost the declining popularity of the president. These fears were reinforced by the fact that by September 2008, García's approval rating had sunk to 19% and his disapproval level had risen to 69%.[33]

As protests erupted across Peru, it became clear that the most important sites of discontent were the South and the Amazonian jungle areas. There were uprisings by Amazonian Indians, in league with environmentalists, who were angered by government decrees (two of which were repealed by Congress) designed to make it easier to sell parcels of collectively held land to oil companies and other investors. Although packaged as measures designed to benefit the regions, they were perceived as part of a push to expand oil production. Also in the jungle, protests over coca eradication resulted in violent confrontations around Tocache in the Department of San Martín. At one point the government was forced to temporarily suspend coca eradication, but when this merely encouraged protests elsewhere, as other coca peasant groups sought similar suspensions, the government returned to policies of forcible eradication.[34] Humala supported the protests by coca farmers—indeed, two legislators for the PNP, Elsa Malpartida, and Nancy Obregón, were leaders of the coca cultivators, and they participated in negotiations with the central government.

The APRA government was troubled by a resurgence of strike activity, including walkouts by teachers (in the powerful union Sindicato Unitario de Trabajadores en la Educacion del Perú [SUTEP]) protesting educational reform and miners objecting to the use of casual labor. General strikes organized by the General Confederation of Peruvian Workers (Confederación General de Trabajadores del Perú [CGTP]) and supported by Humala were most successful in the Amazonian jungle and the south-

ern highlands. This prompted García to claim that the CGTP had become a front for Humala. Faced with the prospect of social protests morphing into more politically threatening actions, García and his government resorted to the vilification, even criminalization, of protests that blocked the government's priorities.

Under García, laws were passed that criminalized protest and classified certain strikes as extortion. Environmental activists were charged with terrorism for interfering with foreign mining interests, and human rights organizations were subject to harassment for their supposed support for terrorist organizations. The human rights umbrella group Asociación pro Derechos Humanos (APRODEH) was branded "traitors" by the president when its members objected to the effort of the Peruvian government to have the Movimiento Revolucionario Túpac Amaru (MRTA) labeled a terrorist organization in the European parliament. Congress also passed a law, sponsored by Flores Aráoz, purporting to regulate NGOs and ensure that their activities were consistent with state policies (parts of the law were later found unconstitutional).

García and his top officials routinely spoke of conspiracies against Peru, and of extremist infiltrators. Senior government officials routinely called strikers terrorists and subversives. García expressed the fear that conspirators were seeking to create an "Andean, Aymaran, Bolivarian republic" with Venezuelan backing, and for evidence he pointed to the proliferation of Casas de Alba (ALBA Houses; ALBA stands for the Bolivarian Alternative for the Americas) in the cities of Cuzco, Puno, Juliaca, Iquitos, and elsewhere.[35] These NGOs, which ostensibly provided humanitarian aid, tended to support regional protests. One of the most aggressive opponents of the central government, regional president Hernán Fuentes, opened a Casa de Alba in Puno. A parapolice organization was established to infiltrate protests and provide intelligence. The Comando Canela (so named after a former intelligence operative ostensibly involved in the group) was reported to be active in various locations in the southern highlands and the jungle.[36]

The strategy of criminalizing opposition to development resulted in a tragic confrontation in the Amazon. On June 5, 2009, in the Bagua Province of the Peruvian Amazon, 33 people were killed and hundreds injured when the police and military cracked down on a protest that had blocked the "Devil's Curve" section of the Fernando Belaúnde Terry Highway into the jungle. The protesters were opposed to decrees of dubious constitutionality (many of which were later revoked) issued by the García government under special powers delegated by the legislature. They were measures that would ostensibly have facilitated the implementation of the Free Trade Agreement with the United States. These decrees were intended to open the Amazon to mineral, oil, logging, and agricultural development and allowed these developments to proceed without consultations with local communities as required under existing Peruvian law and treaty obligations.

The specific details of the confrontation remain contested after multiple investigations by both the office of the human rights ombudsman and Congress. The fact that most of the dead (23 of 33) were police reflects the fact that the protesters had not only blocked the "Devil's Curve" but had also taken police hostage in a nearby North Peruvian Oil Pipeline pumping station. When the army cleared the highway, the natives took revenge on the hostages. There were most certainly criminal acts committed by both sides, but García's angry words revealed the sort of intolerance and racism that often characterizes state officials: "Enough is enough. These peoples are not monarchy, they are not first-class citizens. Who are 400,000 natives to tell 28 million Peruvians that you have no right to come here? This is a grave error, and whoever thinks this way wants to lead us to irrationality and a retrograde primitivism."[37] A year later, more than 100 natives and mestizos had been charged with criminal offenses, while charges against military officers faced an uphill battle through the courts.

Conclusion

By the end of the first decade of the 21st century, Peru was ostensibly more stable than other democracies in the Andean subregion. Although APRA's victory provided a guarantee that Peru would not undergo yet another political rupture, the same tensions observable elsewhere in the region brewed beneath the surface. Like its neighbors, Peru experienced a commodity export boom that reinforced historical spatial patterns of prosperity and inequality and the temporal patterns of boom and bust. Peru shared with the other Andean nations a history of exclusion and discrimination, especially with respect to indigenous peoples, and thus the persistent fracture in the nation between the more prosperous and outward-oriented coast and capital city and the neglected and impoverished highland. Precarious democratic institutions straddle these cleavages, in particular, a party system vulnerable to assault by "outsiders" who mobilize the excluded against the traditional establishment. Some combination of these factors contributed to decisive electoral victories by the Left in Venezuela, Bolivia, and Ecuador, but not in Peru.

Although Peru followed, broadly speaking, patterns and cycles observable elsewhere, the way these patterns unfolded resulted in distinctive logics of social and political change. Like Colombia, the other Andean nation that did not "go left," Peru experienced the effects of a bloody insurrectionary movement under democratic rule. The legacy of internal conflict, itself a consequence of the way structural changes were postponed until military rule in the 1970s, helps explain both the weakness of the traditional Left and the complex way Humala's candidacy reopened wounds in the body politic. The social forces that sustained Peru's electoral Left were thrown into

disarray in the 1990s, and the Left, fractured and demoralized, was unable to rebuild its social base and party organization.

Ironically, APRA, once a force for change, emerged as the hope of the establishment. Having once sought to govern "for all Peruvians," García discovered that he had a better chance of constructing a new governing coalition in Peru by building on the historical strengths of APRA and consolidating its presence in Lima. Moreover, García's support in Lima was not restricted to business and middle-class voters. The urban poor voted overwhelmingly for APRA, even as provincial voters overwhelmingly threw their support behind Humala. The cleavage between the coast and the highlands appears to reflect, in part, the uneven effects of the process of export growth that has favored the coast while policy neglect has left the highlands behind.

The cleavage between the coast and the highlands, so deeply rooted in Peru's history and geography, is unlikely to be diminished in the near future. Political and economic logics defy the imperatives of state- and nation-building. To achieve sustained and balanced development, Peru must use the resources generated by periodic economic bonanzas to articulate the outward-oriented development of the coast and Lima with underdeveloped internal markets in the highlands. Yet the Peruvian state lacks the capacity to undertake a coherent strategy of balanced development, and the free trade agreements with the United States and Canada, which locked in the neoliberal orientation of policymaking and exacerbated the fractures in Peru's social structure, as well as the logic of APRA's electoral success, militated against a strategy of growth with equity. Future historians may conclude that the second García government left Peru as fractured and disintegrated, and hence as prone to cycles of political instability, as it was in the past.

NOTES

An earlier version of this chapter was presented at the conference "Latin America's 'Left Turn': Political Diversity and Development Alternatives," Harvard University, Boston, April 4–5, 2008. I am grateful to the participants of that workshop, particularly Steve Levitsky, Ken Roberts, and Cynthia Arnson, as well as the participants in a Comparative-Canadian Politics workshop at the University of British Columbia on February 4, 2008, for comments on an earlier draft of this chapter, especially Alan Jacobs, Erin Williams, John Wood, Ben Nyblade, Jean Laponce, Christian Constantin, Adam Bower, Lesley Burns, Mark Warren, and Allan Tupper. I am also grateful to Freddy Osorio-Ramírez for research assistance, to Erin Rapoport for help with graphics, and to the Social Sciences and Humanities Research Council of Canada for a research grant. All errors and omissions are my sole responsibility.

1. "Mandato para García es la inclusión social," *El Comercio,* June 5, 2006, www.elcomercio.com.pe/EdicionImpresa/Html/2006–06–05/ImpPortada0517371.html.

2. Francisco Miró Quesada Rada, "Apra: Segunda parte," *El Comercio,* June 19, 2006,

available at http://blogs.ubc.ca/peru/2006/06/19/apoyo-expectativas-sobre-el-futuro-segundo-gobierno-del-apra/#more-1466.

3. See "Alan García on Strategy, Power, and Governability," Peru Election 2006, June 11, 2006, http://blogs.ubc.ca/peru/2006/06/11/alan-garcia-on-strategy-power-and-governability/.

4. I am grateful to Steve Levitsky for this observation.

5. See Humala Tasso 2001. Ollanta Humala distanced himself from his brother Antauro during the 2006 campaign but continued to use some of the language of ethno-Cacerism, particularly the idea of the *cobrizo* (coppery) race.

6. With Chávez, Humala shared a military background, launching his career with a tragicomic rebellion against Fujimori in 2000; with Correa, he shared a patriotic, anti-establishmentarian, political-outsider image (see chapters 9 and 11). All three fit unambiguously within the category of "left populist" as defined by Levitsky and Roberts in the introduction.

7. See "Second Round Election in Peru: Preliminary Overview," Peru Election 2006, http://blogs.ubc.ca/peru/?s=Second+Round+Election+in+Peru%3A+Preliminary+Overview.

8. That the Left seeks to attenuate or reverse the effects of neoliberalism is not the same as saying that it opposes the market system. Today's Latin American Lefts tend not to assume that socialism is a historically inevitable alternative, such that it emerges endogenously from capitalist development. They are more pragmatic with respect to markets, more programmatically limited with respect to democratic practice, and more interested in alternative models of capitalism *and* democracy that would allow them to overcome social exclusion, environmental degradation, and inequality.

9. On populism, see Weyland 1999b; Roberts 2007b. An unusually bitter relationship between the armed forces and APRA, dating to the 1930s, resulted in an unwritten veto barring the leader of APRA from holding presidential office.

10. Comisión de la Verdad y Reconciliación. The full report is available on the Web at www.cverdad.org.pe.

11. The other Andean country that did not shift left in 2006 was Colombia. There, too, a violent internal conflict inhibited the development of social movements and electoral mobilization by the Left.

12. An outsider is a candidate outside the party system who challenges the traditional political establishment. On Fujimori's rise and fall, see Conaghan 2005; Carrion 2006.

13. For a discussion of the collapse of the party system, see Tanaka 1998; Levitsky and Cameron 2003. Arce (2003) discusses the impact of counterinsurgency success on presidential popularity.

14. See opinion polls archived at Peru Election 2006, http://blogs.ubc.ca/peru/category/polls-results/.

15. For a good study of the rise of Humala, see Balbi 2006.

16. Humala's father made unapologetically racist statements; his mother made homophobic remarks; and one of his brothers verbally sniped at Humala from jail, where he awaited trial for leading a bloody police revolt in Andahuaylas the previous year (ostensibly in support of the nationalist movement). Another brother was also a candidate for office on another ticket.

17. "Alan García negó negociaciones para beneficiar a Fujimori," *Peru21.pe,* August 4, 2008, available at http://peru21.pe/noticia/213230/alan-garcia-nego-negociaciones-beneficiar-fujimori. This is not the first allegation of secret negotiations; see "En Chile hablan de pacto

entre Alan García y Fujimori," *El Comercio,* February 11, 2007, available at www.elcomercio.com.pe/EdicionOnline/Html/2007–02–11/onEcPortada0669019.html.

18. García's ability to work with Congress was aided by the weakness and division of his opposition in the legislature, as well as the failure of Humala to capitalize on the regional elections of 2006. The UPP immediately divided into the UPP and the PNP. At one point Humala attempted to form a new bloc to bring the UPP and the PNP back together along with Alianza Parliamentaria (a merger of Toledo's Peru Posible and Lay's Restauración), but the initiative did not prosper. "Humala tries to forge opposition bloc," *Latin American Weekly Report,* March 29, 2007.

19. John Crabtree, "Peru: Dilemmas of Power," *openDemocracy.net,* June 8, 2007, available at www.opendemocracy.net/democracy_power/south_america/peru_dilemmas.

20. "Lourdes Flores: García se ha convertido en presidente de los ricos," *El Comercio,* June 30, 2008, available at www.elcomercio.com.pe/ediciononline/HTML/2008–07–30/Lourdes-Flores-García-ha-convertido-presidente-ricos.html.

21. "García Reaches Out to Informal Sector, *Latin American Weekly Report,* July 3, 2008, 5.

22. "García Struggles to Get Message Across," *Latin American Weekly Report,* July 31, 2008, 4.

23. "Humala Accuses García of Stifling Opposition in Peru," *Latin American Weekly Report,* February 7, 2008, 16.

24. "García Ignores the Present for Long-Term Goals," *Latin American Weekly Report,* August 2, 2007, 6.

25. John Crabtree, "Peru: Dilemmas of Power," *openDemocracy.net,* June 8, 2007, available at www.opendemocracy.net/democracy_power/south_america/peru_dilemmas.

26. "Gobierno priorizaría ayuda a los que votaron por el Apra," *Peru21.com,* December 17, 2006, www.peru21.com/p21online/Html/2007–12–17/onp2portada0826812.html.

27. "García: Al final de mi gobierno la pobreza será reducida al 30%," *El Comercio,* July 28, 2008, www.elcomercio.com.pe/ediciononline/HTML/2008–07–28/García-al-final-mi-gobierno-pobreza-reducida-al-30.html.

28. Milagros Salazar, "Seeking Ways to Remedy Unequal Distribution of Mining Taxes," Inter Press Service News Agency, August 1, 2008, available at http://ipsnews.net/news.asp?idnews=43414.

29. "Uneasy Truce after Moquegua Mining Protest," *Latin American Weekly Report,* June 26, 2008.

30. José Santillán Arruz, "Hay lentitud en los gastos de inversion," *El Comercio,* July 28, 2008, available at www.elcomercio.com.pe/edicionimpresa/Html/2008–07–28/hay-lentitud-gastos-inversion.html.

31. "Le llueven críticas a Alan García por arremetida contra alcaldes y presidentes regionales," *Periodismoenlinea,* June 25, 2008, available at www.periodismoenlinea.org/200806251428/Ultima-Hora/Le-llueven-criticas-a-Alan-Garcia-por-arremetida-contra-alcaldes-y-presidentes-regionales.html.

32. "García Doggedly Defiant despite Polls," *Latin American Weekly Reports,* September 18, 2008, 5.

33. See the report on public opinion "Encuesta Nacional Urbana: Las Cifras de la Aprobación," *Estado de la Opinión Pública,* Instituto de Opinión Pública, Pontificia Universidad Católica del Perú, Año III, September 2008, p. 2.

34. "Puno Moots Full Legalisation of Coca," *Latin American Weekly Report,* July 19, 2007, 9.

35. "García Snubs Strikers," *Latin American Weekly Report,* July 17, 2008, 9.

36. Marco Cáceres, "Comando Canela tambien actuó en el paro de Cusco," *La Primera,* October 2, 2008, available at www.jornaldearequipa.com/Canela.htm.

37. The analysis of the Bagua events draws on Tockman 2009. See his report for details.

Democracy, Development, and the Left

STEVEN LEVITSKY AND KENNETH M. ROBERTS

As the case studies in this volume make clear, the Latin American Left is marked by considerable diversity. Despite a shared commitment to a more equitable development model, left governments in the region have varied both in their socioeconomic policies and in their approach to democratic governance. This variation ranges from liberal democratic governments in Brazil and Chile, which pursued redistributive goals within the constraints of macroeconomic orthodoxy, to the openly statist policies and increasingly authoritarian mode of governance in Venezuela under Hugo Chávez. A range of intermediate cases, including Argentina, Bolivia, and Ecuador, fall somewhere in between these two ends of the spectrum.

Analyses of the left turn in media and policy circles often attribute these differences to the ideologies and personal preferences of individual leaders (see, e.g., Vargas Llosa 2007). We do not deny the importance of leadership; it has clearly left an imprint on the course of recent events in countries as diverse as Venezuela, Brazil, Argentina, Ecuador, Bolivia, and Nicaragua. In virtually every country in the region, however, several different types of leftist parties or leaders have made a bid for popular support. Voluntaristic accounts cannot explain why certain types of parties or leaders mobilize mass support in some national contexts but not in others (Cameron 2009). Why, then, are certain types of Left more successful in some national contexts than in others? What determined the types of leftist alternative that rose to prominence in different national settings in the aftermath to Latin America's experiment with market liberalization? In short, why does Venezuela produce a Chávez and Chile a Ricardo Lagos?

To address these questions, this concluding chapter places the new left governments in Latin America in comparative and historical perspective. Diversity within the "left turn," we argue, is rooted in the distinct historical pathways through which left parties emerged and ascended to power (see also Weyland, Madrid, and Hunter 2010). We distinguish between "institutional" and "crisis-outsider" paths to power. These pathways shaped the character of left parties' organizations, societal linkages,

and relationships to party systems and democratic regimes, which, in turn, conditioned their behavior in government. We then examine the broader consequences of the left turn. In the economic realm, we ask whether a new development model—or models—is emerging in Latin America, or whether left government policies have simply reinforced the existing neoliberal model. In the political realm, we consider how the rise of the Left affected the stability and quality of democracy. From there, we explore some of the challenges facing left governments in Latin America, including the trade-offs between governing and fostering grassroots participation, incorporating demands for new citizenship rights such as multiculturalism and public security, and governing after the end of the commodities boom. We conclude by examining the legacies of the left turn for political development in Latin America.

Mapping Variation in Left Government Policy

As noted in the introduction, the range of variation among contemporary left governments in Latin America was narrowed by the demise of socialist and revolutionary options. Although all of the left governments examined in this volume expanded the role of the state in regulating markets and redistributing income, nowhere—not even in Venezuela—did these policies point to the construction of socialist alternatives. Regime variation was similarly limited by historical standards. All of the left parties and movements examined here followed an electoral, not a revolutionary, path to power, and although some governments—Venezuela in particular—concentrated and abused power after taking office, none of them eliminated electoral competition or sought to create a single-party regime. Nevertheless, the case chapters in part 2 point to substantial variation in left government policies and approaches to democratic governance. The cases are summarized in table C.1.

In terms of social and economic policy, only Venezuela has been unambiguously statist. Of our cases, the Chávez government clearly went furthest in breaking with the market model and progressively expanding the state's regulation and control of the economy (see chapters 3, 4, and 9). The Chávez administration nationalized a range of industries, banks, and utilities, created new state-run firms and cooperatives, heavily regulated exchange markets and foreign investment, and subsidized the consumption of basic consumer goods. It also channeled billions of dollars in windfall oil rents into ambitious new social programs (*misiones*) aimed at expanding access to food, health care, education, housing, and other basic services. Finally, the Chávez government promoted a series of regionally based institutions to counter U.S. influence in Latin America, including an alternative trade association (the Bolivarian Alternative for the Americas [ALBA]), a regional development bank, and a cable television network.

Table C.1.
Socioeconomic and political orientations, 1998–2010

Country	Government	Social and economic policies	Orientation toward democracy
Argentina	Néstor Kirchner / Cristina Fernández de Kirchner (PJ) (2003–10)	Heterodox	Liberal democratic
Bolivia	Evo Morales (MAS) (2005–10)	Heterodox	Plebiscitary
Brazil	Lula (PT) (2002–-10)	Social liberal	Liberal democratic
Chile	Ricardo Lagos / Michelle Bachelet (PSCh) (2000–2010)	Social liberal	Liberal democratic
Ecuador	Rafael Correa (2006–10)	Heterodox	Plebiscitary
Peru	Alan García (APRA) (2006–10)	Orthodox	Liberal democratic
Uruguay	Tabaré Vásquez (FA) (2005–10)	Social liberal	Liberal democratic
Venezuela	Hugo Chávez (1998–2010)	Statist	Plebiscitary

The Ecuadorian, Bolivian, and Argentine cases are best characterized as heterodox in their social and economic policies. The Morales and Correa governments discursively renounced the neoliberal model, but as of 2010, they had not consolidated the full range of statist policies found in Venezuela. To be sure, both governments expanded the state's role in the economy: they dramatically increased public spending, created and promoted state-run enterprises, increased state regulation over foreign investment, and joined Chávez's alternative trade association. Yet neither government fully abandoned macroeconomic orthodoxy or radically altered property rights (see chapter 4), and—rhetoric about socialism and "endogenous development" notwithstanding—the state did not become the primary engine of development in either case. Thus, although the Correa government expanded regulation of trade and finance, it retained Ecuador's dollarized economy (chapter 11); and although the Morales government heavily taxed and regulated multinational corporations in key extractive sectors and launched an agrarian reform, it opted not to nationalize the gas industry or expropriate large amounts of private land (chapter 10). In short, the potential exists in both Bolivia and Ecuador for a shift toward more comprehensive statist policies (chapter 11), but through 2010, both governments remained heterodox. Likewise, the Kirchner governments in Argentina broke with neoliberal orthodoxy by imposing export taxes and price controls, loosening monetary policy, renationalizing the pension system, and dramatically increasing public investment. Nevertheless, their break with macroeconomic orthodoxy was far more modest than that of Venezuela (chapter 4), and notwithstanding selective statist measures, they neither dismantled the export-led model nor significantly expanded state ownership of the economy (chapter 12).

Brazil, Chile, and Uruguay are examples of the policy orientation that we call social liberalism. The Workers' Party (PT), Chilean Socialist Party (PSCh), and Frente

Amplio (FA) governments retained relatively orthodox fiscal and monetary policies, and none of them attempted to reverse the trends toward privatization and trade liberalization launched by their predecessors (although the Lula government experimented with limited industrial policies). Yet all three governments combined macroeconomic orthodoxy with substantial investment in social policies aimed at reducing inequalities, enhancing the living standards of low-income groups, and expanding social citizenship rights. In Brazil, the Lula government invested heavily in raising the income of poor families through minimum wage increases and conditional cash transfers. Most notably, the PT government vastly expanded—and invested billions of dollars into—the Bolsa Família poverty relief program (chapter 13). In Chile and Uruguay, leftist governments increased the minimum wage, raised taxes, invested heavily in social programs aimed at boosting incomes, and took important steps toward the establishment of universalistic welfare states by expanding access to pensions and health care. As pointed out in chapters 5 and 15, this combination of macroeconomic orthodoxy and redistributive social policy bears some resemblance to European-style social democracy. However, because of the vast differences between European and Latin American political economies—in terms of social structure, macroeconomic coordination, and levels of taxation, redistribution, and inequality—we use the term social liberalism to characterize Latin American efforts to reconcile market liberalism with social citizenship.

Finally, the García government in Peru, which we do not characterize as leftist, provides a useful reference point, as its social and economic policies remained largely orthodox (or neoliberal). Like left governments in Brazil, Chile, and Uruguay, the García government maintained the export-led model it inherited as well as strict macroeconomic orthodoxy. Unlike these other governments, however, García invested relatively little in social policies to boost the incomes of the poor or enhance social citizenship (chapter 16).

In the political arena, leftist governments in Argentina, Brazil, Chile, and Uruguay (as well as the García government in Peru) were liberal democratic, in that they adhered to established democratic rules of the game. Even presidents who concentrated considerable power, such as Kirchner in Argentina, governed within existing constitutional frameworks and respected civil liberties and institutionalized pluralism. Where constitutional change occurred, it clearly advanced liberal democratic principles; for example, the Lagos administration in Chile negotiated constitutional reforms that eliminated authoritarian enclaves left behind by the Pinochet dictatorship.

By contrast, left governments in Bolivia, Ecuador, and Venezuela adopted a more plebiscitarian approach to democratic governance. In these countries, leftist presidents mobilized popular majorities through plebiscitarian mechanisms to rewrite

the constitutional rules of the game—often against the will of politically weakened opponents. The Evo Morales, Rafael Correa, and Chávez governments bypassed opposition-controlled legislatures, sponsored constituent assemblies, and imposed new constitutions that expanded executive power and extended their stay in office. Governments varied, however, in how far they strayed from liberal democratic norms. The Chávez government was clearly the most authoritarian: it used popular referenda to convoke a constituent assembly, pass a new constitution that vastly expanded executive power, and establish full control over legislative, judicial, and electoral institutions. It also engaged in heavy-handed tactics—including the closure of major television and radio stations and the harassment, arrest, or exile of journalists, opposition leaders, and other critics—that transformed Venezuela's democracy into a competitive authoritarian regime. Although Ecuador and Bolivia remained broadly within the boundaries of electoral democracy, the Correa and Morales governments also used plebiscitarian means to concentrate (and at times abuse) power. Correa sacked 57 opposition members of Congress and purged Ecuador's constitutional tribunal in his drive to convoke a constituent assembly and impose a new constitution (chapter 11). The Morales government generally respected opposition rights and liberties (chapter 10), but it, too, used its broad popular support to rewrite the constitution and gain control over the legislature, the courts, and other public institutions.

Explaining Variation in the Latin American Left

What explains this variation across leftist governments in Latin America? In contrast to the voluntarism that characterizes most media and policy-oriented accounts, recent scholarly literature on Latin America's left turn draws attention to the contextual factors that shape the policy and governing choices of left governments. Within this literature, two approaches stand out. First, political economy approaches focus on the resources and policymaking autonomy available to left governments For example, drawing on rentier state theory, Kurt Weyland (2009) argues that generous natural resource endowments and windfall rents from oil and gas exports induce leaders to throw caution to the wind and embrace more radical nationalistic and redistributive policies. Leaders of rentier states that reap such windfall profits may believe—mistakenly, he argues—that they are not bound by conventional market constraints and that they therefore enjoy greater latitude to abandon economic orthodoxy and experiment with expansionary fiscal and monetary policies. Leftist leaders in nonrentier states, in contrast, feel more tightly bound by market constraints and are less likely to stray from policy orthodoxy. Murillo, Oliveros, and Vaishnav (chapter 2) make a similar argument, although they focus more broadly on commodity exports. They

assert that the current account surpluses and policymaking autonomy generated by the commodity boom allowed leftist parties to actually govern on the left (to varying degrees) in the 2000s, unlike most of their counterparts in the 1990s.

A second, more institutionalist, approach, focuses on the strategic opportunities and constraints created by party systems. According to Gustavo Flores-Macías (2010), left policy moderation is rooted in institutionalized party systems that prevent political "outsiders" from reaching the presidency, lengthen the time horizons of policymakers, and facilitate legislative bargaining and interbranch cooperation. These institutional conditions create centripetal dynamics that facilitate the construction of a broad policy consensus and inhibit radical forms of policy experimentation. Conversely, where party systems are in disarray or have broken down, anti-establishment outsiders are more likely to win executive office, time horizons are shortened, and institutionalized mechanisms for legislative and interbranch cooperation are weakened. The result is a more centrifugal, contentious, and unpredictable political environment that allows for a broader range of policy experiments. Robert Kaufman makes a similar argument in chapter 4. According to Kaufman, economic conditions—such as external accounts and natural resource exports—clearly shape the policy choices of left governments, but they do not fully explain them. Rather, institutionalized party systems create incentives for left governments to moderate their policies despite favorable economic conditions.

This recent literature represents a clear advance over voluntaristic interpretations, for it demonstrates that policy choices are not simply expressions of leadership preferences or ideology but rather are powerfully shaped by economic and political-institutional conditions. Our own approach incorporates these insights into a more historical explanation that highlights how left parties' formation, historical evolution, and ascent to power shape their behavior in office. In other words, we argue that variation in left policy and regime orientations is rooted in parties' pathways to power. We focus on two such paths: an *institutional path* and a *crisis-outsider path.* Each path was marked by distinctive historical experiences, patterns of party development, and modes of ascension to public office. The institutional path, which was characterized by lengthy periods of party institutionalization and professionalization, gradual incorporation into the political establishment, and ascent to office in a context of regime and party-system stability, generated incentives toward liberal democratic governance and programmatic moderation. The institutionalized partisan Left in Brazil, Chile, and Uruguay followed this path (see fig. I.1 in the introduction), and populist machines in Argentina and Peru followed variants of it as well. The crisis-outsider path, which was marked by new political movements that emerged outside of the political establishment and ascended to power—via anti-establishment appeals—amid severe crises of party systems and regimes, encouraged a plebiscitarian approach to

governance and a more dramatic break with the neoliberal model. This was the path followed by the populist Left in Ecuador and Venezuela and the movement Left in Bolivia.

The Institutional Path to Power: Brazil, Chile, and Uruguay

The Left in Brazil, Chile, and Uruguay followed an institutional path to power. As noted in the introduction, the PT, the PSCh, and the FA had roots in traditional Marxist parties or movements that suffered severe repression under bureaucratic-authoritarian regimes between the 1960s and the 1980s. All three parties were active in the opposition to military rule and played a leading role in building and consolidating new democracies. Likewise, all three parties lived through the debt crisis of the 1980s, the collapse of import substitution industrialization (ISI), and the extinction of state socialism in the Soviet bloc. These experiences encouraged processes of political learning and ideological renovation that altered parties' strategic objectives and behavior. Party leaders and cadres emerged from military dictatorships with a newfound respect for liberal democracy, and as central protagonists in democratic transitions, many of them developed a strong stake in the new regimes. Similarly, left parties progressively abandoned socialist objectives in favor of strategies to reduce inequalities and expand social citizenship rights within the constraints of market economies. By the time they captured national office, then, left parties in Brazil, Chile, and Uruguay had embraced liberal democracy and proposed to reform capitalism rather than abolish it.

Second, the institutional path to power followed by these parties also shaped their organizational and leadership structures in ways that encouraged moderation. The PT, the FA, and the PSCh were each founded prior to redemocratization, and all of them institutionalized (in the Chilean case, reinstitutionalized) during the 1980s and 1990s. From the beginning of the democratic opening, all three parties participated regularly in elections, gaining representation in legislatures and municipal governments. Party leaders and cadres thus built their careers within legislatures and local governments, where they reaffirmed their commitment to established institutions, gained experience in building multiparty coalitions, and acquired reputations for responsible and effective governance. By the 1990s, then, all three parties were fully integrated into democratic regimes. Led by professionalized, career-oriented politicians, they became established contenders within the party system and, eventually, full-fledged members of the political establishment (Roberts 1998; Hunter 2010).

These organizational changes had an important effect on parties' societal linkages and patterns of social mobilization and protest. As leftist parties professionalized and became embedded in representative institutions, many of their grassroots social net-

works gravitated toward electoral activities or—especially in Chile—either atrophied or detached themselves from party organizations. Although the PT, the PSCh, and the FA had strong historical linkages to popular movements, they privileged ties to established interest groups, such as unions, that could be incorporated into policymaking arenas, rather than social movements that pressed claims from outside formal institutional channels. Indeed, with conservative forces taking the lead in market liberalization, leftist parties in Brazil, Chile, and Uruguay were well positioned to channel opposition to neoliberalism into institutional arenas. Having been in the opposition during neoliberal reform periods, they retained a capacity to represent voters and popular organizations that dissented from the Washington Consensus. Yet by focusing mainly on electoral and legislative activities, leftist parties helped to channel this dissent into formal arenas and, consequently, discourage extraelectoral forms of social mobilization.[1]

Third, the Left's ascent to power in Brazil, Chile, and Uruguay took place via routine turnover, in a context where democratic institutions were not in crisis. Democratic regimes were consolidated in all three countries by the late 1990s. The core institutions of representative democracy were robust and independent, and left parties contended for power within relatively institutionalized party systems that contained strong centrist and conservative parties. Finally, market reforms were largely consolidated, and levels of social mobilization and protest were relatively low. These noncrisis conditions shaped left party behavior in two critical ways. First, left parties pursued power via strictly electoral means, eschewing mass mobilization. Second, left parties avoided radical or anti-establishment appeals. In Chile, Ricardo Lagos and Michelle Bachelet ran as the candidates of the incumbent coalition; although the PT and the FA ran vigorous opposition campaigns that included a strong critique of neoliberalism, their discourse was by no means antisystemic. They neither sought nor won a mandate for radical or "refoundational" change.

In short, the institutional path to power encouraged a liberal democratic orientation and programmatic moderation. Left parties had already undergone substantial ideological renovation and organizational professionalization by the time they won the presidency; they were members of a political establishment that was not in crisis; and they operated within consolidated democratic regimes that precluded plebiscitarian attempts to "refound" the constitutional order. Robust democratic institutions, in turn, imposed important constraints on policymaking. The PT, the PSCh, and the FA confronted strong legislatures in which established centrist and conservative parties were well represented. This was particularly true in Brazil and Chile, where the PT and the PSCh lacked legislative majorities and thus governed in broad multiparty coalitions. Policy initiatives, therefore, had to be negotiated with nonleftist actors, inevitably moderating the course of reforms.

It is hardly surprising, then, that governing left parties in Chile, Brazil, and Uruguay embraced liberal democracy and social liberalism. Importantly, they did so despite the considerable policy latitude provided by the commodity export boom—and the fact that Chile in particular reaped substantial natural resource windfalls from copper exports. In all three cases, parties' programmatic and regime orientations contrasted sharply with their ideological emphases in the not-so-distant past. Although these shifts were rooted in a long-term process of political learning and ideological renovation, they were also a strategic adaptation to the political and institutional environs in which the Left competed.

The Crisis-Outsider Path: Venezuela, Ecuador, and Bolivia

The crisis-outsider path was markedly different. First, the populist Left that came to power in Ecuador and Venezuela and the movement Left that captured the presidency in Bolivia were new political actors.[2] In these cases, the historical experiences that encouraged ideological renovation in Brazil, Chile, and Uruguay were largely absent. The new left parties and movements that came to power in the Andes had not experienced the systematic military repression of bureaucratic-authoritarian regimes. Neither were they major players in the restoration and consolidation of democratic rule. Likewise, none of the new Lefts were forced to adapt programmatically to the Debt Crisis and the collapse of statist and socialist development models in the 1980s. Instead, their formative experiences were rooted in the popular backlash against the political elites that had managed the economic crises and market reforms of the 1980s and 1990s. In each case, established populist or center-left parties had played a major role in the process of market liberalization, creating a representational vacuum for constituencies opposed to the reforms (see Madrid 2009). In the absence of effective institutionalized expression, opposition to neoliberalism was channeled into explosive cycles of social protest. In Bolivia, the Movement toward Socialism (MAS) emerged directly out of these protest movements. Although social protest did not directly spawn new leftist alternatives in Venezuela and Ecuador, it created political space to the left of established parties that was eventually filled by more radical contenders.

When they emerged, then, new populist and movement Lefts did not view existing democratic regimes as the fruit of popular conquests over brutal right-wing dictatorships. To the contrary, they saw these regimes as instruments of an exclusionary political establishment that was oblivious to the needs of marginalized groups in their own societies. Likewise, the new Lefts were born in frontal opposition to neoliberal policies that were perceived to have deepened inequalities and relinquished national control over natural resources. Repeated cycles of social protest lent credence to the belief that democratic regimes and market reforms were intrinsically antipopular, en-

couraging new leftist leaders to promise sweeping institutional reforms—including a refounding of constitutional orders—and a restoration of the state's role in controlling natural resources, regulating markets, and providing social welfare.

Second, leftist movements in Bolivia, Ecuador, and Venezuela were not institutionalized or incorporated into the political establishment. Rather, they were paradigmatic outsider movements. New leftist parties were formed as electoral vehicles for populist outsiders in Venezuela and Ecuador, while in Bolivia the MAS emerged as the electoral expression of the social protest movements that rocked the political establishment after 2000. Each of these parties developed in opposition to the political establishment, including traditional populist and center-left parties. Rather than building professional political careers through established parties, legislative bodies, and municipal governments, leaders and cadres were brought into the political arena from outsider networks that included military dissidents (in Venezuela), social movement activists, and leftist intellectuals. As a result, these leaders had far less experience working within the institutions of representative democracy. New left parties in Bolivia, Ecuador, and Venezuela did not gradually build support through a prolonged period of democratic contestation that might have secured their loyalty to established regime institutions. Instead, they capitalized on the delegitimation of these institutions and erupted onto the political scene as radical alternatives to the status quo that promised to create a new order.

Third, new Lefts in Bolivia, Ecuador, and Venezuela did not ascend to power via a routinized alternation in office. Rather, their rapid ascent occurred in contexts where representative institutions were in crisis and the political establishment was on the verge of collapse. In Venezuela, mass urban riots in response to market reforms in 1989 were followed by two military coup attempts—the first led by Hugo Chávez—and a presidential impeachment, followed by the breakdown of one of Latin America's most entrenched party systems (Coppedge 1994). In Ecuador, three successive elected presidents were driven from office in contexts of mass social protest between 1997 and 2005, while in Bolivia mass protests toppled two presidents in 2003 and 2005 (see Silva 2009). In all three countries, traditional parties lost the capacity to perform their most basic function: the definition and control of the viable options presented to voters in the electoral marketplace. The new leftist contenders, moreover, were not merely political outsiders who sought to expand the range of alternatives within the electoral marketplace; they were *regime* outsiders who pledged to destroy the established political elite and refound the constitutional order. Unlike their counterparts in Brazil, Chile, and Uruguay, then, leftist candidates in Bolivia, Ecuador, and Venezuela actively sought—and won—a mandate for radical change.

The crisis-outsider path to power created both incentives and opportunities for more transformative governance strategies. As new political movements that were

neither professionalized nor integrated into existing representative institutions, leftist parties in Bolivia, Ecuador, and Venezuela had little stake in the existing constitutional order. Moreover, crises of existing party systems and regimes created incentives for leftist outsiders to mobilize in opposition to the existing order. Indeed, as regime and party-system outsiders, Chávez, Morales, and Correa were elected on platforms that called for sweeping institutional change. Armed with an electoral mandate to bury the established political elite, Presidents Morales, Correa, and Chávez all mobilized large popular majorities through plebiscitarian means to bypass existing legislatures and "refound" the constitutional order. Because democratic institutions were weak and established parties in a state of collapse, the cost of challenging the constitutional rules of the game was relatively low.

Successful plebiscitarian strategies facilitated more radical programmatic change. By concentrating power in the executive, constitutional "refoundation" expanded left governments' policymaking autonomy. With traditional parties discredited and legislative and judicial bodies weakened or packed, institutional checks on executive policy choices were eroded. Political and institutional constraints that might have forced these regimes to adhere to a more orthodox policy course were thus substantially weaker than in the countries where leftist parties followed an institutional path to power.

Nevertheless, constitutional refoundation did not give leftist presidents free reign to govern as they chose. Rather, policy choices were constrained—to varying degrees—by a range of political economic factors, including dependence on foreign credit and investment, current account balances, state capacity, and the strength of private-sector and conservative opponents (see chapter 4). Indeed, as chapters 4 and 10 show, the decision of the Ecuadorian and Bolivian governments to pursue heterodox rather than openly statist policies in the late 2000s can be attributed in large part to such constraints. The Correa government was constrained by a dollarized economy and a negative trade balance (chapter 4), whereas the MAS government's capacity to undertake statist policies, such as the nationalization of the energy sector, was limited by the institutional weakness of the Bolivian state (chapter 10). By contrast, massive revenue and international bargaining leverage generated by petroleum exports provided the Chávez government with sufficient autonomy to undertake statist policies.

In sum, the crisis-outsider path to power created both incentives and opportunities for new leftist parties to engage in plebiscitarian strategies aimed at refounding the constitutional order, often at the expense of liberal democracy. The erosion of constitutional checks and balances and the collapse of established parties expanded left governments' policymaking autonomy, facilitating a more decisive break with neoliberal orthodoxy. There is little doubt that the rentier-state characteristics of Venezuela, Ecuador, and Bolivia contributed to left governments' break with ortho-

doxy, particularly in the midst of a commodity export boom that relaxed fiscal and foreign exchange constraints (Weyland 2009; chapter 2 of this volume). Nevertheless, the political commitment and institutional capacity that are required to make a decisive shift toward heterodox or statist policies are also clearly rooted in the generalized crisis conditions that paved the route to power of the populist and movement Lefts.

Populist Machine Cases: Argentina and Peru

The institutional and crisis-outsider paths to power are in many respects ideal-typical patterns that differentiate two relatively broad sets of cases. Not all of our cases conform to one of these ideal-typical patterns, however. This is particularly true of Argentina and Peru, two cases of populist machines—one of which (Argentina under Kirchner) governed on the left and the other of which (Peru under García) did not. Both cases are arguably variants of the institutional path, but with particular characteristics that led them in very different policy directions.

ARGENTINA

The Argentine case shares some basic similarities with those of Brazil, Chile, and Uruguay. In terms of historical experiences, the (Peronist) Justicialista Party (PJ) is a long-established organization, although its roots lie in Latin America's ideologically eclectic populist tradition rather than the socialist Left. Although Peronism had strong linkages to labor unions, it was heavily dependent on Juan Perón's charismatic leadership, and its informal and loosely organized party structures contained both rightist and leftist tendencies (McGuire 1997; Levitsky 2003). Like the socialist Left in Brazil, Chile, and Uruguay, Peronism experienced heavy repression under military rule, with the party's left wing (a loose network with ties to the Montonero guerrilla movement of the 1970s) bearing much of the brunt of this repression. The PJ subsequently played a major role in Argentina's democratic reconstruction, and the party underwent processes of ideological renovation and professionalization that in many ways paralleled those of its counterparts in Brazil, Chile, and Uruguay. The PJ thus evolved into a systemic actor that was committed to democratic rules of the game and accepted by its rivals as a member of the political establishment. Yet rather than an institutionalized partisan left, the PJ was a patronage-based machine that remained prone to personalistic leadership and was highly flexible in its programmatic orientation (Levitsky 2003). Thus, in the 1990s, Peronist president Carlos Menem responded to hyperinflationary pressures by abandoning the PJ's traditional statist platform for one of Latin America's most ambitious neoliberal reform programs.

If the PJ evolved in the 1980s and 1990s in ways that were similar to the evolution of the PT, the PSCh, and the FA, the Kirchner government's ascent to power was

markedly different, for it occurred in the midst of an acute political and economic crisis. Under Menem's successor, Fernando de la Rúa of the Radical Civic Union (UCR), the neoliberal model fell prey to a severe financial crisis in 2001–2, triggering a deep recession and a massive wave of protest that toppled President De la Rúa and threatened to engulf the entire political establishment. The UCR fragmented and nearly collapsed, setting in motion a party-system crisis that set Argentina apart from Brazil, Chile, and Uruguay. Yet the party-system collapse was only partial: Peronism not only survived but capitalized politically on the crisis. Thus, it was an antineoliberal Peronist (Kirchner), not an anti-establishment outsider, who captured the presidency in 2003. Moreover, Argentina's relatively strong core democratic institutions prevented the 2001–2 crisis from becoming a full-fledged regime crisis. As in Venezuela, Bolivia, and Ecuador, then, a leftist alternative arose in a context of widespread social protest, mass repudiation of the neoliberal model, and a party-system crisis that weakened established competitors. Unlike those other cases, however, Argentina's leftist alternative emerged from within an established party that was integrated into a stable democratic regime.

Néstor Kirchner's ascent to the presidency thus mixed elements of the institutional and the crisis-outsider paths. On the one hand, as the leader of an established party within a robust democratic regime, Kirchner had clear incentives to adhere to liberal democratic rules and procedures. Indeed, his government made no attempt to channel social unrest into a plebiscitarian overhaul of the constitutional order. Instead, it sought to stabilize the regime and contain popular mobilization through social programs and the political incorporation of organizations of unemployed workers (chapter 12). But unlike the situation in Brazil, Chile, and Uruguay, where antineoliberal protest was limited and nonleftist parties were relatively strong, Kirchner assumed power in the wake of a social explosion that had crippled opposition parties and discredited the neoliberal model. Kirchner not only enjoyed a partisan majority in Congress, but he faced an opposition that was considerably weaker and more fragmented than those in Brazil, Chile, and Uruguay. Hence, Kirchner had both greater incentives (heightened public discontent and social mobilization) and greater opportunity (a legislative majority and weak opposition) to move leftward in his policy orientation. These factors, together with the post-2003 commodity export boom, allowed the Kirchner governments to implement a range of heterodox interventionist measures.

PERU

As the Peruvian case shows, however, not all populist machines governed on the left in the 1998–2010 period. Indeed, given their programmatic flexibility and the concentration of power in the hands of dominant personalities, populist machines may

just as easily veer to the right under some conditions. The second American Popular Revolutionary Alliance (APRA) government of Alan García is a case in point. As Max Cameron shows in chapter 16, Peru exhibited several conditions that might have been conducive to a leftward shift: democratic institutions were relatively weak, the party system was fluid and inchoate, and a mineral-based export boom provided new resources and policy latitude for national governments. Nevertheless, the path to power taken by García and APRA transformed them into unlikely protectors of Peru's conservative establishment rather than outsider or leftist challengers.

Once again, historical experiences loomed large. Having governed in the midst of Peru's economic debacle in the late 1980s, when his heterodox policies culminated in hyperinflation, García returned to office in 2006 as a chastened and pragmatic leader who was anxious to win over a wary business community. Furthermore, the strategic context in which APRA competed favored this conservative tilt. Partly because of a booming export economy, social mobilization against the neoliberal model was less widespread than in Ecuador and Bolivia. Consequently, when populist outsider Ollanta Humala won the first round of the 2006 election, with García finishing second ahead of a weakened conservative bloc, it opened political space for García to appeal to a political and economic establishment that was terrified at the prospect of a Humala presidency. Humala attracted widespread support in the largely indigenous Andean highlands, but he made little headway in Lima and the coastal regions, which had benefited from Peru's export boom, allowing García to capture a second-round majority. In so doing, García successfully positioned himself as the antipopulist guardian of the political and economic status quo. As the leader of an established party that was newly aligned with key sectors of the political and economic elite, García had few incentives to stray from neoliberal orthodoxy or employ plebiscitary strategies of popular mobilization to alter regime institutions (chapter 16). Rather, the second García government followed a conservative course that left both the neoliberal model and the constitutional order intact.

This comparative perspective sheds light on the conditions that influence how "left" particular governments are likely to be. Most new left governments in Latin America encountered significant economic and political constraints on the adoption of constitutional or policy reforms. The conditions most conducive to sweeping change—namely, party-system and regime crises, high levels of social mobilization, and abundant resources—were not jointly present in most of the region. Where they were—as in Venezuela and, to a lesser extent, Ecuador and Bolivia— leftist governments refounded political regimes and promoted alternatives to neoliberal orthodoxy. Elsewhere, caution has reigned, and reforms have been embedded in underlying patterns of institutional and policy continuity.

Implications of the Left Turn

What are the political and economic implications of the left turn in Latin America? Have left governments made a difference for democracy and development in the region? Or, as Jason Arnold and David Samuels write in chapter 1, is the left turn a "relatively shallow electoral phenomenon" that ultimately generated "more hype than substance"? We argue in this section that although most left governments brought little radical change, they nevertheless had significant—and diverse—effects in both the political and socioeconomic policy arenas.

Social and Economic Policy: Toward a New Development Model?

How has the left turn shaped patterns of development in Latin America? Contrary to some expectations on both the right and the left, new left governments did not bury the market model. Indeed, by historical standards, the socioeconomic reforms introduced by contemporary left governments have been quite modest.[3] In most of the region, the core features of the market model, such as private ownership, free trade, and openness to foreign investment, remain intact. Even where left governments went furthest in challenging market orthodoxies, no comprehensive alternative model has emerged. As Weyland points out in chapter 3, Chávez's "21st Century Socialism" project does not differ fundamentally from Venezuela's oil-based rentier model of the 1970s and 1980s. According to Weyland, Chávez's oil rentier project is likely to suffer the same boom-and-bust cycle as its predecessor, and Bolivia's "gas rentier" model may be equally susceptible to global market fluctuations.

In other cases, the Left's moderation led some analysts to conclude that the left turn has done little more than reinforce the neoliberal model. For example, Petras and Veltmeyer find "few indications of substantive change" under left governments in Latin America, and they conclude that the Left has been "drawn into the project of saving neoliberalism" (2009, 1, 52). Other analyses suggest that "social democratic" experiments in countries like Brazil, Chile, and Uruguay "do not add up to a comprehensive alternative model to neoliberalism" (Rodríguez-Gavarito, Barrett, and Chávez 2008, 322) and may "turn out to be another liberalism with an inhuman face" (Beasley, Cameron, and Hershberg 2009, 324). These views are in line with Paul Cammack's earlier claim—with reference to the Cardoso government in Brazil—that Latin American social democracy is merely a "recipe for the consolidation of neoliberalism in practice" (1997, 241).

Yet if left governments in Latin America have not buried the market model, some of them may be transforming it. Neoliberalism is hardly the only form of market economy. Social democracy, for example, is entirely compatible with an open,

market-oriented economy, even if it breaks with the unfettered, self-regulating markets of neoliberalism.[4] Yet European social democracy is associated with a variety of capitalism that differs markedly from the liberal market economy that exists in the United States (Hall and Soskice 2001). To be sure, structural conditions in contemporary Latin America bear little resemblance to those that gave rise to social democracy in western Europe: industrial working classes are smaller and more fragmented, labor movements are weaker, and global capital mobility leaves governments with far less policymaking autonomy (Roberts 2008a).

Yet, as chapter 5 suggests, left governments in Chile and Uruguay have taken steps toward what Lanzaro (chapter 15) calls creole social democracy—a market-based model with significant social democratic features, including social citizenship rights rooted in universalistic social policies. Having inherited welfare states built on a mix of Bismarckian (employment-based) and neoliberal (residual and needs-based) principles, left governments in Chile and Uruguay reformed pension, health care, and income transfer systems in ways that moved toward "basic universalism" (chapter 5). These initial steps were modest, but then again, European social democracy was hardly built in a day. European left parties moved gradually, over the course of several decades in power, to develop the universal social protection policies that became synonymous with social democracy. In Scandinavia, social democratic governments laid the foundation for such policies in the 1930s and 1940s, but overall tax and social expenditure levels remained relatively low into the 1960s (Esping-Anderson 1985, 154–57, 168). Welfare state expansion occurred incrementally over time, via a "ratchet effect" (Huber and Stephens 2001, 28).

Whether the reforms adopted by Latin American left governments in the 2000s constitute the first steps toward a cumulative process of social democratization is an open question. However, three factors appear critical to the construction of robust welfare states in the region. The first is sustained left political power, and in particular a strong left presence in government over time (Huber and Stephens 2001). Such an outcome is most likely in a context of stable democracy and strong, institutionalized left parties. As of 2010, Brazil, Chile, and Uruguay appeared closest to meeting these conditions. Of these cases, left electoral power was strongest in Uruguay: the FA won an outright legislative majority and governed alone beginning in 2004, whereas the Brazilian and Chilean Lefts governed in multiparty coalitions (chapter 15).[5] Although governing left parties in Bolivia, Ecuador, and Venezuela were electorally dominant in the late 2000s, their weakly institutionalized and personalistic character raises questions about their long-term fate. These questions are only magnified by the political polarization triggered by the rise of anti-establishment Lefts.

Second, robust welfare states tend to be reinforced by strong, centralized labor movements that are tied to the partisan Left (Korpi 1983; Huber and Stephens 2001).

Here, conditions in Latin America are clearly less favorable; in the aftermath of neoliberal restructuring, labor movements are less densely organized than those in northern Europe 50 years ago, and in many Latin American countries, labor is organizationally fragmented or detached from partisan allies. Again, Uruguay may come closest to the social democratic ideal, as the FA maintains strong political ties to a centrally organized labor movement (see chapters 5 and 15). Party-labor ties persist in Brazil and Chile, but they have weakened over time, while Chávez has had tense relations with a labor movement linked to traditional parties. The decline of Bolivia's once-powerful mining-based labor unions has been offset by the rise of indigenous and other social movements tied to the MAS, but it is unclear whether these will provide a long-term functional equivalent to the centralized party-labor blocs that constructed modern European welfare states.

Finally, creole social democracy requires a strong state. Social democratic welfare states are unimaginable without the effective capacity to tax, regulate, and implement policy across the national territory. Historically, most Latin American states have been weak (Centeno 2002), a fact that undermined the performance of earlier state-led development models (Evans 1995). What had been large but ineffective states were scaled back in the neoliberal era, leaving behind states that were both small and weak (O'Donnell 1993). Hence, many of the fiscal, regulatory, and bureaucratic tools that are needed to sustain a social democratic project are absent in contemporary Latin America. The construction of a robust alternative model thus requires state-building (Luna and Filguiera 2009), or the development of greater tax, regulatory, and bureaucratic capacity. Among our cases, Brazil, Chile, and Uruguay are probably best positioned to develop more active states. In terms of bureaucratic effectiveness, these countries rank among the highest in Latin America (IADB 2006b). Moreover, as chapters 5 and 15 show, left governments in Chile and Uruguay took steps to increase tax revenues during the 2000s. States are considerably weaker in the Andean region, however. As chapter 10 argues, the MAS government's ability to pursue a more left-wing development strategy was seriously hindered by the weakness of the Bolivian state. And although the Chávez government clearly expanded the scope of state activities, there is evidence that its politicization of state agencies—most notably, Petróleos de Venezuela (PDVSA)—has weakened it in key areas (chapter 3).

In sum, left governments in Latin America have neither buried the market model nor produced a comprehensive alternative to it. Yet it is misleading to characterize the left turn as a mere continuation of neoliberalism. Though modest, the social reforms adopted by left governments in Brazil, Chile, and Uruguay appear to be fiscally and politically sustainable. If subsequent governments build on these reforms, the Left will have taken important steps beyond neoliberalism and toward a more social democratic variant of capitalism.

Implications for Democracy

Historically, the relationship between the Left and democracy in Latin America has been an uneasy one. For much of the 20th century, important sectors within the Left rejected liberal democracy for revolutionary alternatives, while conservative forces frequently supported military coups, electoral proscription, and other nondemocratic measures to combat the Left. The ascendance of left-wing movements, therefore, was often associated with nondemocratic outcomes—either revolutionary seizures of power (e.g., in Bolivia, Cuba, and Nicaragua) or coups against elected leftist governments (e.g., in Venezuela, 1945–48; Guatemala, 1944–54; the Dominican Republic, 1963; Brazil, 1961–64; and Chile, 1970–73).

The contemporary period has been markedly different. New left governments all came to power via elections and maintained competitive electoral regimes. And although a few of these governments triggered regime-threatening conflicts (e.g., the 2002 coup attempt and subsequent oil strike in Venezuela and secessionist threats in Bolivia),[6] levels of polarization and right-wing reaction were generally much lower in the 2000s than in previous periods. Indeed, as of 2010, none of the left governments discussed in this book had been removed by extraconstitutional means.[7] Within this narrower range of regime outcomes, the Left's impact on democracy—both liberal democracy and efforts to "deepen" democracy—has varied. As we argue below, these differences are rooted in left parties' divergent paths to power.

The Left and Liberal Democracy

By and large, left governments had a positive impact on liberal democracy in the 1998–2010 period. In Brazil, Chile, and Uruguay, the rise of the Left both reflected and contributed to democratic consolidation. During the Cold War, the rise of the Left had triggered bureaucratic authoritarian coups in each of these countries. Even after redemocratization, the prospect of a leftist victory generated considerable uncertainty. In Uruguay, FA leader Liber Seregni was banned from the 1984 presidential election; in Chile, Marxist parties were banned until 1989, and the prospect of a Socialist president was virtually unthinkable during the initial posttransition period; in Brazil, many observers believed that a Lula victory in the 1989 election would have triggered a coup. Over time, however, left parties became established contenders within the system, and as such, their arrival in power ultimately proved anticlimactic. In Brazil, the prospect of a PT victory triggered a short-lived financial panic in 2002, but Lula's presidency brought virtually no polarization or right-wing reaction (chapter 13). In Chile, not only did Lagos's presidency not trigger a crisis, but it brought important democratic advances, as the Socialist government oversaw the elimination

of Chile's remaining authoritarian enclaves. In Uruguay, the election of the FA not only brought former guerrillas to power, but it marked the first time in that country's democratic history that a third party had won the presidency.[8] In each of these cases, then, left victories constituted an important final step toward regime consolidation.

In Venezuela, Bolivia, and Ecuador, the left turn's implications for democracy were more ambiguous. As noted above, the rise of the Left in these countries was not associated with democratic consolidation, but rather with a crisis of democratic institutions, including the breakdown of party systems, the plebiscitarian reconstruction of governing institutions, and the concentration of power in executive branches. Particularly in Venezuela and Ecuador, these trends produced a slide toward competitive authoritarianism. Why did the ascendance of the populist and movement Left weaken existing representative democratic institutions? Madrid, Hunter, and Weyland (2010) link such outcomes to radical programmatic objectives. Because far-reaching socioeconomic reforms are likely to generate opposition from Congress, the courts, and other institutional veto players, they argue, the implementation of those reforms requires "power enhancement" measures—such as constitutional "refoundation" and the reorganization of legislative and judicial branches—that tend to weaken liberal democratic institutions.

In our view, competitive authoritarian outcomes are best understood as a product of the Left's path to power. As noted above, populist and movement left governments in Venezuela, Ecuador, and Bolivia were elected in a context of party-system and regime crisis. Their appeal was explicitly anti-establishment; in effect, they won a mandate to bury the political elite. Yet in all three cases, the established parties retained control of Congress,[9] had appointed most or all of the country's Supreme Court justices, and had written the constitutional and electoral rules of the game. Of course, Presidents Chávez, Correa, and Morales could have responded to divided government by negotiating and sharing power with the established parties, as Lula did, for example, in Brazil. Having been elected on an anti-establishment appeal, however, such a move would have been a clear betrayal of their mandate—which, as Correa's predecessor, Lucio Gutiérrez, learned, can be politically costly. Thus, populist left governments had a strong political incentive to assault existing representative institutions.

Several points are worth noting here. First, plebiscitarian politics in Venezuela, Ecuador, and Bolivia was less a product of leftism than of populism. Populists frequently assault liberal democratic institutions. However, not all populists are leftist. Indeed, populist outsiders who govern on the Right, such as Alberto Fujimori (Peru), Lucio Gutiérrez (Ecuador), Jorge Serrano (Guatemala), and Álvaro Uribe (Colombia) appear equally likely to clash with democratic institutions. A second and related point is that populist left governments are as much as a product of democratic crisis

as they are a cause of it. Unlike their counterparts in the Southern Cone and Brazil, Chávez, Correa, and Morales were elected amid severe crises of representative institutions. Public disaffection with existing democratic institutions was high, and all three regimes had been tarnished by instances of repression (e.g., Venezuela in 1989 and Bolivia in 2003) and constitutionally dubious removals of the president from office (e.g., Ecuador in 1997, 2000, and 2005; Bolivia in 2003).

Finally, notwithstanding their illiberal behavior, there is some evidence that populist and movement left governments actually enhanced public support for democracy. As Madrid notes in chapter 10, the MAS's rise to power in Bolivia coincided with an increase in voter turnout, particularly in indigenous areas, as well as a marked increase in support for democracy and democratic institutions. According to the Latin American Public Opinion Project, the percentage of Bolivians who reported satisfaction with the way their democracy functioned increased under the Morales government, as did the percentage of Bolivians who believed their country was democratic (chapter 10). A similar pattern could be observed in Venezuela. According to Latinobarometer surveys, the level of public satisfaction with democracy in Venezuela was higher under Chávez than it had been in the mid-1990s—and it was considerably higher than in most other Latin American countries (see chapter 7). Thus, without downplaying the authoritarian tendencies observed in the Andean cases, the relationship between the populist and movement Lefts and democracy may not be as straightforwardly negative as many analyses suggest.

The Left and Deepening Democracy

Deepening democracy, via the creation of more participatory modes of democratic governance, has long been a goal of the Latin American Left (Roberts 1998; Goldfrank, chapter 7, this volume). Thus, it is worth evaluating the degree to which left governments advanced toward this goal. By and large, achievements in this area were modest. In Chile, Brazil, and, to a lesser extent, Uruguay, programmatic moderation and the electoral-professionalization of party structures led left governments to de-emphasize grassroots participation. In Chile, the Socialist Party abandoned radical democratic objectives and distanced itself from social movements long before returning to the presidency in 2000 (Roberts 1998). In power, the PSCh did little to encourage social mobilization (chapter 5), and the party's ties to grassroots community organizations remained modest (chapter 6).

In Brazil, the PT had long embraced participatory democracy, and in the 1990s PT governments had actively—and in some cases, quite successfully—promoted participation at the local level via institutions such as participatory budgeting. Nev-

ertheless, as chapter 7 suggests, experiences with participatory budgeting and other forms of municipal-level popular engagement did not readily translate into more participatory democratic practices at the national level. Although the Lula government established new forums for dialogue and consultation with representatives of social groups, such as the Economic and Social Development Council, these institutions' influence on public policy was limited. The Lula government's most prominent social policy initiative, Bolsa Família, did not rely on grassroots mobilization or popular participation. This de-emphasis of the grass roots was in line with the PT's gradual shift toward electoralist, vote-maximization strategies (chapter 13). Nevertheless, it generated considerable disillusionment among traditional PT supporters. By Lula's second term, Goldfrank explains, there was a "marked pessimism about participation" under the PT, and "most social movements and NGOs no longer sense[d] an affinity with the Lula administration" (chapter 7). Indeed, Handlin and Collier (chapter 6) find PT activist participation and linkages to community organizations to be strikingly low, especially for a party that was once synonymous with social movements and radical democratic alternatives.

In Uruguay, the FA government invested more seriously in expanding participation, albeit primarily along corporatist, rather than radical democratic, lines (chapter 7). The FA had developed a strong track record of experimentation with participatory measures when it governed Montevideo. At the national level, the Vázquez government expanded subnational participatory channels and established new national-level institutions for consultation and collective bargaining, including salary councils. Although these initiatives were more corporatist than participatory democratic, they helped the FA retain strong ties to the labor movement and other social constituencies. Handlin and Collier (chapter 6) found the FA's levels of grassroots participation and partisan ties to social organizations (especially unions) to be considerably higher than those in Brazil or Chile.

Leftist governments in the Andes were more committed, at least rhetorically, to expanding popular participation. Constitutional reforms in all three countries endowed citizens with new political and cultural rights and created new channels for popular consultation and political participation, including referenda, recall elections, popular assemblies, communal councils, and the election of judges. These channels clearly fostered the political activation of previously excluded groups, but it would be premature to claim that they have led to the establishment of participatory democratic alternatives.

In Venezuela, Chavismo explicitly sought to create a "participatory and protagonistic democracy," and the 1999 constitution included several new institutions—many of them drawn from the Causa R government in Caracas in the 1990s—that

integrated elements of representative and participatory democracy (chapter 7). The Chávez government supported the creation of a variety of grassroots organizations, from electoral brigades to Bolivarian Circles, communal councils, local planning councils, land-use committees, cooperatives, and networks formed around social "missions" for education, health care, and low-cost food markets (see chapters 7 and 9). Though overlapping and constantly shifting, these experiments clearly encouraged popular participation (chapter 7). For example, one national survey found that more than one-third of adults had participated in at least one Communal Council meeting (Hawkins et al. 2008, 118). Likewise, Handlin and Collier found levels of community activism and grassroots participation to be far higher in Venezuela than in Brazil or Chile. As building blocks for radical democracy, however, these new participatory structures were limited by their dependence on executive initiatives and resources, which impeded their institutionalization and left them vulnerable to clientelist manipulation (chapter 7). The concentration of political authority in Chávez's hands worked against the stated goal of translating popular sovereignty into more radical and participatory forms of democratic governance.

In Bolivia, the genesis of the MAS and Morales's political leadership in vibrant and autonomous social movements created greater potential for a radical democratic alternative. Indeed, the Morales administration adopted several measures to create a more inclusive and participatory form of democracy. As Madrid argues in chapter 10, the government consulted regularly with its social movement bases through assemblies and congresses. It also created the National Coordinator for Change, which brought the major social movement leaders together with top government officials to discuss policy. The MAS government also took steps to increase electoral participation by removing barriers to registration and expanding access to voting centers in rural areas. Furthermore, the 2009 constitution strengthened the political rights and autonomy of indigenous communities by enhancing their control over land, natural resources, and local judicial and governing institutions. For Bolivia's long-oppressed indigenous majority, these reforms represent a clear advance in democratic inclusiveness and citizenship rights. Whether they ultimately result in a more participatory democracy, however, will likely hinge on whether the social movements that gave rise to the MAS retain a capacity for independent political initiative now that their partisan allies are in power.

Among the Andean cases, the Correa government appeared least interested in participatory democracy. Elected without substantial support from indigenous organizations (which had fragmented and weakened in the wake of their abortive alliance with Lucio Gutiérrez) or other organized popular sectors, Correa owed little to these movements. In office, he did little to create new channels for popular participation. Viewing civil society groups as "an obstacle, not a building block, for his revolution,"

Correa circumvented them in an effort to construct an "autonomous state and a muscular executive branch" (chapter 11).[10]

In sum, left governments found it difficult to simultaneously fortify liberal democracy and advance the cause of deepening democracy. Left governments in the Southern Cone and Brazil helped to consolidate liberal democracy but did relatively little to advance the cause of participatory democracy. In Bolivia and Venezuela, by contrast, leftist governments actively encouraged and expanded popular participation. However, popular mobilization was associated with increasing polarization and hegemonic tendencies that threatened liberal democratic institutions.

Challenges for the Left

The chapters in this volume identify a range of challenges that face contemporary left governments in Latin America. This section examines several of these challenges and the trade-offs they often pose between different objectives.

Governing versus the Grass Roots

One challenge that emerges from several of the chapters has to do with the tension between governing and maintaining grassroots linkages. Most new left parties in Latin America emerged out of grassroots social movements and were central actors in popular mobilization during their formative periods (see Keck 1992; Bruhn 1997; López Maya 1997; Roberts 1998). Parties such as the PT, the FA, the Farabundo Martí National Liberation Front (FMLN), Causa R in Venezuela, and the MAS in Bolivia were originally movement left organizations, with strong ties to unions, social movements, and community organizations. Several of them used their control over local governments to develop innovative participatory institutions. Yet as scholars since Michels (1911) have observed, bottom-up participation is difficult to sustain as parties institutionalize, and it becomes particularly difficult when they govern at the national level. Governing often pulls party leaderships away from the grass roots, as numerous constraints—from international commitments to market conditions to domestic legislative deals—discourage them from consulting the rank-and-file. This is particularly true of left parties that prioritize programmatic moderation and, as Handlin and Collier (chapter 6) suggest, of those that are forced by fragmented party systems to govern in coalition. Such an erosion of governing party linkages clearly occurred in Brazil (chapter 13) and Chile (chapter 5).

Governing may also affect grassroots participation in another way: by creating incentives to use state resources to co-opt previously autonomous social or community organizations, thereby transforming bottom-up patterns of participation into top-

down clientelistic ones. Such a process arguably occurred in Venezuela under Chávez (chapter 7). Although social movements appear to have retained greater autonomy in Bolivia, the potential for state co-optation clearly exists there as well.

Finally, another problem posed by governing at the national level is that of scaling up, or transforming successful local-level participatory institutions into national ones. As chapter 7 shows, the PT government in Brazil had great difficulty transforming participatory innovations that had worked well at the local level, such as participatory budgeting, into national-level institutions. Although the FA achieved a measure of success in this area, the success was probably attributable to Uruguay's small size.

The difficulty of sustaining grassroots linkages can be seen in chapter 6, by Handlin and Collier. In an analysis of survey data from the Latin American Public Opinion Project (LAPOP), Handlin and Collier find that in Brazil and Chile, left party grassroots activism and ties to social organizations were strikingly limited. Although the PT and the PSCh had historically maintained strong ties to unions and social movements, both transformed into electoral-professional parties and governed during most of the first decade of the 21st century. The FA, which had not undergone as extensive a transformation and thus retained features of a mass-organic party (chapter 5), scored higher on Collier and Handlin's measures of grassroots linkage. Chavismo also scored very high on these measures, although much of this linkage took the form of what Collier and Handlin (chapter 6) call "state-sponsored associationalism." Thus, although participation increased under Chávez, it is difficult to ascertain how much of it was rooted in clientelism and controlled from above. This finding leads to a caveat regarding the relationship between left government and grassroots participation: in a context of "state-sponsored associationalism," being in government may well enhance, rather than dampen, participation.

Rethinking Citizenship Rights: Security and Identity

Another challenge for the Left relates to evolving conceptions of citizenship rights. As Deborah Yashar notes in chapter 8, much of the Latin American Left came to embrace the full "Marshallian trilogy" of civil, political, and social rights during the late 20th century. This commitment to both liberal democracy and social citizenship lies at the heart of social democracy. Yet Yashar points to two additional "rights" that gained salience in the 1990s and 2000s but which the Left was slower to embrace: citizen security and multicultural citizenship. Violent crime has emerged as a leading issue of public concern throughout Latin America. Public security is a natural issue for the Right. For leftists, many of whom were persecuted by security forces in the not-so-distant past, articulating a viable policy of citizen security has been difficult. Often prioritizing the defense of civil and human rights, most left parties have "side-

stepped" the issue of citizen security as a basic citizenship right (chapter 8).[11] Yet as Yashar points out, the Left downplays this issue at its own peril. Where violence is high, it is almost invariably the poor who suffer most. A failure to take seriously the issue of citizen security could therefore open up space for right-wing populist appeals to the poor.

Second, in parts of Latin America, left parties must contend with demands for multicultural citizenship. Historically, most of the Latin American Left ignored ethnic demands, presuming that "class politics trumped ethnic and racial identities." Although leftist and indigenous movements often converged in opposition to neoliberalism during the 1980s and 1990s, established left parties were slow to respond to indigenous groups' cultural demands (chapter 8). The most successful left-indigenous alliance was clearly the MAS in Bolivia, which integrated ethnic and class-based appeals into what Madrid (2008) calls an "ethnopopulist" project. Although the future of Latin American indigenous movements remains uncertain, left parties in much of the region must find ways to integrate redistributive and ethnic appeals and, more fundamentally, to reconcile demands for social, liberal, and multicultural rights.

Governing without Prosperity

Finally, left parties must learn how to govern without prosperity. As chapters 2, 3, and 4 make clear, the Left's success after 2000 was closely related to the post-2002 commodities boom. An expanding revenue base allowed left governments to adopt redistributive policies without risking fiscal crises or serious class polarization. Moreover, high growth rates contributed to the Left's political success, helping it win reelection in Argentina, Brazil, Chile, Bolivia, and Ecuador. A key question, then, is how the Left will respond to the end of the commodities boom. The most pessimistic scenario is a return to the politics of the 1980s and 1990s, in which left parties seemed fated to choose between carrying out their program, at the risk of plunging into economic crisis (e.g., APRA in the 1980s), and betraying their program, at the risk of eroding their political identities and social bases (as the Movement of the Revolutionary Left [MIR] in Bolivia and Democratic Action [AD] in Venezuela did). Yet future left governments may not face so dire a choice, for two reasons. First, because many left governments maintained macroeconomic stability (including, in some cases, fiscal surpluses and vast accumulations of foreign reserves), they were well equipped to deal with an economic downturn. During the post-2008 downturn, for example, left governments in Brazil and Chile not only avoided the kind of cyclical collapse associated with "economic populism" (Dornbusch and Edwards 1991), but they were able to respond to the crisis with unprecedented countercyclical policies. Second, many of the major social reforms introduced by left governments (e.g., Bolsa Família in Brazil

and Plan AUGE [Universal Access to Explicit Health Guarantees] in Chile) were effective, fiscally sustainable, and politically popular, and as a result, they are likely to prove difficult to roll back. Indeed, in Chile, the first country to turn back to the right following a recent period of leftist government, conservative president Sebastián Piñera followed up his 2010 election with a pledge to maintain the key social welfare initiatives introduced by his socialist predecessors, much to the chagrin of his core supporters. It may be, then, that a return to full-scale neoliberalism is unlikely even in less prosperous times and under more conservative rulers.

The End of the Left Turn: Legacies of the Left in Power

Partisan swings are temporary under democracy. Sooner or later, Latin America's left turn will come to an end, as it did in Chile in 2010. What, then, will be the legacies of the left turn? First of all, a major accomplishment will have been to demonstrate that the Left can govern well. The failure of Allende in Chile in the 1970s and the first García government in the 1980s saddled a generation of Latin American leftists with a reputation for political recklessness and policy incompetence. The performance of the Lagos, Bachelet, Lula, and Vázquez governments put that image definitively to rest. By 2010 it was clear that leftist presidents, including those with radical backgrounds, could govern prudently and effectively (and in some cases with impressive results).

Most left governments will also leave behind a legacy of at least moderate success on the social front. All of the governments examined in this volume oversaw substantial reductions in poverty, and several of them oversaw a reduction in income inequality as well. These achievements were not merely a product of economic growth. Rather, left governments actively used public policy, including minimum wage increases, support for union collective bargaining, expanded pension coverage and/or benefits, and large-scale investment in transfer programs, to boost incomes in ways that benefited the poor. In Chile and Uruguay (and perhaps in Brazil), where leftist governments institutionalized universalistic health care, pension, and family allowance policies in line with norms of social citizenship (chapter 5), it may not be too far-fetched to suggest that the Left will leave a social democratizing legacy.

The achievements of the Left in Brazil, Chile, and Uruguay has led some scholars to conclude that "moderate" left governments in Latin America have outperformed their more radical left counterparts (see Madrid, Hunter, and Weyland 2010; chapter 3, this volume). Drawing on Aesop's "Tortoise and the Hare" fable, Madrid, Hunter, and Weyland (2010) argue that although "contestatory" left governments in Bolivia and Venezuela undertook bolder initiatives to redistribute power and wealth, their political and economic performance has been inferior and that, ultimately, their proj-

ects are unsustainable. Thus, "as is in the ancient fable, the tortoise once again ends up beating the hare" (180).

Although there is some validity to these claims, we caution against such a conclusion, for several reasons. First, as of 2010, the empirical evidence is still limited. During the 2000s, growth rates in the "moderate" left cases were not significantly higher than those in "contestatory" cases (see Madrid, Hunter, and Weyland. 2010, table 7.2), and through 2010, both Bolivia and Ecuador had avoided fiscal or inflationary crises. The Chávez, Correa, and Morales governments also achieved important gains in terms of poverty alleviation. Moreover, "contestatory" left governments were at least as successful politically as their moderate counterparts. Chávez, Correa, and Morales were all easily reelected (Chávez twice) in the 2000s. As of 2010, Chávez had been in power longer than Perón was, and although the Correa and Morales presidencies were newer and less well established, they seemed likely to be the most stable governments that their respective countries had experienced in decades. Finally, although "contestatory" left governments in Bolivia and Venezuela pushed regimes in an illiberal (and in Venezuela, autocratic) direction, public support for regime institutions *increased* in both countries. Hence, although real questions exist regarding the sustainability and long-term success of left experiments in Bolivia, Ecuador, and Venezuela, the fact is that through 2010, these governments had achieved at least a mixed record of success.

Second, although it is reasonable to speculate that left governments in Bolivia and Venezuela overreached in the context of the post-2002 commodities boom, with negative consequences in the future (see chapter 3), it may also be the case that moderate left governments—perhaps "overlearning" lessons from the 1970s and 1980s—were overly cautious during this period, thereby failing to take advantage of a historic opportunity to bring about far-reaching social change.[12] As chapters 5 and 13 suggest, the PT and Chilean Socialist governments may have gone further than necessary in accommodating economic elites and discouraging social mobilization in order to preserve macroeconomic and political stability. This restraint may have important consequences not only for the parties themselves (for example, the erosion of grassroots linkages documented by Handlin and Collier in chapter 6), but also for the balance of forces in society. In Chile, for example, business and conservative elites retained inordinate policy influence even after two decades of center-left government (chapter 5).

Finally, even if many of the institutional changes introduced by leaders like Morales and Chávez do not endure beyond their presidencies, the sociopolitical legacies of these governments are likely to be profound. The MAS and Chavismo were inclusionary movements that successfully mobilized social sectors that had felt excluded

from existing political and economic arrangements. In both countries, the Left's success triggered countermobilization on the Right. The result was intense polarization, which at times brought each country to the brink of violent conflict. Out of this polarization and conflict may emerge new sociopolitical identities and cleavages that could structure Bolivian and Venezuelan politics for many years to come, whether or not the Left stays in power. In this sense, the MAS and Chávez governments may be similar to the first Perón government in Argentina (1946–55), the Trienio in Venezuela (1945–48), and the rise of APRA in Peru (1930s-1940s), all of which mobilized popular sectors into cleavage alignments that structured political conflict for decades to follow (Collier and Collier 1991).

Ultimately, the political significance of Latin America's left turn does not hinge on the Left's holding onto power indefinitely; rather, it rests on a deeper, if more subtle, transformation of political representation and competition in the region. For the first time in Latin America's turbulent political history, parties and movements of the Left have become established as major contenders in the electoral arena and as serious governing alternatives in virtually every country in the region. Even those parties that relinquish public office in the years ahead are likely to remain formidable contenders so long as democratic institutions remain intact. These institutions are in permanent tension with the region's entrenched socioeconomic inequalities, and the political mechanisms that historically prevented left parties from exploiting these tensions—such as clientelism, military intervention, and repression—appear to have diminishing utility as bulwarks against the development of leftist alternatives. Latin American democracies are hardly predestined to be governed by the Left, but they are increasingly open to that possibility. In many countries, that possibility—and the potential policy transformations associated with it—represent a fundamental change in the political landscape and a highly paradoxical outcome of the region's embrace of market liberalization in the waning decades of the 20th century.

NOTES

1. This was particularly true in Chile (Roberts 1998; chapter 5, this volume).

2. Activists from small historical parties sometimes filtered into these new leftist movements, but it would be misleading to characterize these new Lefts as extensions of the old; in each case, a major new political formation and leadership emerged on the left.

3. Weyland (2009) and Weyland, Madrid, and Hunter (2010, 155–58) make similar arguments.

4. Indeed, as Pribble and Huber argue in chapter 5, macroeconomic stability is "an essential element" of any social democratic project.

5. Chile's center-left governing coalition selected a nonleftist candidate for the presidency in 2010, then proceeded to lose the election to a conservative candidate, thus demonstrating the

highly contingent character of leftist political leadership in the region. In Argentina, Peronism remained strong, but as a programmatically flexible populist machine, it was unlikely to remain stably on the left.

6. In 2009 the Honduran military overthrew Honduras's populist president, Manuel Zelaya.

7. The only president brought down by a coup was Manuel Zelaya of the traditional Liberal Party in Honduras, who earned the enmity of the military and the political establishment by turning toward the populist Left after taking office, without having obtained an electoral mandate to do so.

8. In Argentina, Peronism had been fully reintegrated into democratic politics since the 1980s. Yet Kirchner came from the Peronist Left, and many of his political allies were linked to leftist and guerrilla movements during the 1970s. The rise to power—through democratic means—of this group may be seen as an important advance. Moreover, the Kirchner government pushed through measures, such as the annulment of 1980s-era laws limiting human rights trials, that advanced human rights and challenged military prerogatives.

9. In Bolivia, the MAS won control of the lower house but opposition forces retained control of the Senate.

10. Although Ecuador's new constitution strengthened the rights of indigenous communities, it remains uncertain whether this will translate into more effective forms of popular participation.

11. This was particularly the case in Venezuela, where violent crime rates soared under Chávez.

12. The notion of leftist "overlearning" is borrowed from Manuel Antonio Garretón (personal communication).

This page intentionally left blank

Abers, Rebecca. 2000. *Inventing Local Democracy: Grassroots Politics in Brazil.* Boulder: Lynne Rienner.

Administración Nacional de Educación Pública (ANEP). 2005. *Panorama de la eduación en el Uruguay: Una década de transformaciones 1992–2004.* Montevideo: ANEP.

Aedo, Cristián, and Marcelo Pizarro. 2004. *Rentabilidad Económica del Programa de Capacitación Laboral de Jóvenes "Chile Joven."* Santiago: INACAP.

Alcántara Sáez, Manuel. 2004. *¿Instituciones o máquinas ideológicas? Origen, programa y organización de los partidos politicos latinoamericanos.* Barcelona: El Institut de Ciències Polítiques i Socials (ICPS).

Almeida, Paulo Roberto de. 2004. "Uma política externa engajada: A diplomacia do governo Lula." *Revista Brasileira de Política Internacional* 47, no. 1 (June): 162–84.

———. 2006. "A diplomacia do governo Lula: Balanço e perspectivas." Unpublished paper, July 15. Available at www.pralmeida.org.

Alonso, Guillermo. 2000. *Política y Seguridad Social en la Argentina de los 90s.* Buenos Aires: Mino y Dávila Editores.

Altman, David and Aníbal Pérez Liñán. 2002 "Assessing the Quality of Democracy: Freedom, Competitiveness, and Participation in Eighteen Latin American Countries." *Democratization* 9, no. 2 (Summer): 85–100.

Álvarez, Ángel. 2007. "Venezuela 2007: Los motores del socialismo se alimentan con petróleo." *Revista de Ciencia Política,* special issue, 265–89.

Amann, Edmund, and Werner Baer. 2006. "Economic Orthodoxy versus Social Development? The Dilemmas Facing Brazil's Labour Government." *Oxford Development Studies* 34, no. 2 (June): 219–41.

Amaral, Aline Diniz, Peter Kingstone, and Jonathan Krieckhaus. 2008. "The Limits of Economic Reform in Brazil." In Kingstone and Power 2008.

Amarante, Verónica, Rodrigo Arim, and Gonzalo Salas. 2007. "Impacto distributivo de la Reforma Impositiva en Uruguay." In *Poverty and Social Impact Analysis.* Washington, DC: World Bank.

Amarante, Verónica, and Andrea Vigorito. 2006. *Evolución de la Pobreza en el Uruguay: 2001–2006.* Montevideo: Instituto Nacional de Estadística.

———. 2008. "La desigualdad de ingresos en el Uruguay." In *Informe de Coyuntura.* Montevideo: Instituto de Ciencia Política; Fin de Siglo.

Amnesty International. 2006. *Informe sobre Uruguay 2006.* Montevideo.

Andolina, Robert. 2003. "The Sovereign and Its Shadow: Constituent Assembly and Indigenous Movement in Ecuador." *Journal of Latin American Studies* 35, no. 4 (November): 721–50.

ANEP. See Administración Nacional de Educación Pública.

Angell, Alan. 2010. "Democratic Governance in Chile." In *Democratic Governance in Latin America,* edited by Scott Mainwaring and Timothy Scully. Stanford, CA: Stanford University Press.

ANONG. See National Association of Development-Oriented NGOs.

Aponte, Carlos. 2006. "El gasto público social venezolano: Sus principales características y cambios recientes desde una perspectiva comparada." *Cuadernos del Cendes* 63:85–119.

Arce, Moises. 2003. "Political Violence and Presidential Approval in Peru." *Journal of Politics* 65, no. 2: 88–113.

Arellano, Javier. 2008. "Resurgimiento minero en Perú: ¿Una version moderna de una vieja maldición?" *Colombia Internacional* 67:60–83.

Arias, E., and M. Ungar. 2009. "Community Policing and Latin America's Citizen Security Crisis." *Comparative Politics* 41, no. 4: 409–29.

Armijo, Leslie Elliot, and Philippe Faucher. 2002. "We Have a Consensus: Explaining Political Support for Market Reforms in Latin America." *Latin American Politics and Society* 44, no. 2: 1–40.

Arnson, Cynthia J. 2007. Introduction to Arnson and Perales 2007.

Arnson, Cynthia J., and José Raúl Perales, eds. 2007. *The "New Left" and Democratic Governance in Latin America.* Washington, DC: Woodrow Wilson International Center for Scholars.

Arretche, Marta. 2004. "Toward a Unified and More Equitable System: Health Reform in Brazil." In *Crucial Needs, Weak Incentives: Social Sector Reform, Democratization, and Globalization in Latin America,* edited by Robert R. Kaufman and Joan M. Nelson. Washington, DC: Woodrow Wilson Center Press; Baltimore: Johns Hopkins University Press.

Associación Rural del Uruguay (ARU). 2008. "Negociaciones laborales." Editorial, *Revista ARU* (February), www.aru.org.uy/documentos/Editorial%20Revista%20ARU%20–%20Febrero% 202008.pdf.

Avritzer, Leonardo. 2002. *Democracy and the Public Space in Latin America.* Princeton, NJ: Princeton University Press.

Azzellini, Dario. 2006. *Venezuela Bolivariana.* Cologne: Neuer ISP Verlag.

Baiocchi, Gianpaolo, ed. 2003. *Radicals in Power: The Workers' Party and Experiments in Urban Democracy in Brazil.* London: Zed.

Baiocchi, Gianpaolo, and Sofia Checa. 2007. "The Brazilian Workers' Party: From Local Practices to National Power." *Journal of Labor and Society* 10 (December): 411–30.

Baker, Andy. 2003. "Why Is Trade Reform So Popular in Latin America?" *World Politics* 55, no. 3 (April): 423–55.

———. 2009. *The Market and the Masses in Latin America: Policy Reform and Consumption in Liberalizing Economies.* New York: Cambridge University Press.

Baker, Andy, Barry Ames, and Lúcio Rennó. 2006. "Social Context and Voter Volatility in New Democracies: Networks and Neighborhoods in Brazil's 2002 Elections." *American Journal of Political Science* 50, no. 2 (April): 382–99.

Baker, Andy, and Kenneth F. Greene. 2011. "The Latin American Left's Mandate: Free-Market Policies and Issue Voting in New Democracies." *World Politics* 63, no. 1 (January).

Balbi, Carmen Rosa. 2006. "El Fenómino Humala y la Radicalización del Electorado Peruano." Paper presented at the colloquium "L'Amerique latine aux urnes," Institut Science Politique-IHEAL, Paris, France, December 14–16.

Balza Guanipa, Ronald. 2010. "La tercera devaluación de Hugo Chávez." ARI No. 24/2010. Madrid: Real Instituto Elcano.

Baptista, Asdrúbal. 2007. *Bases cuantitativas de la economía venezolana 1830–2001.* Caracas: Fundación Empresas Polar.

Bardhan, Pranab, Samuel Bowles, and Michael Wallerstein, eds. 2006. *Globalization and Egalitarian Redistribution.* Princeton, NJ: Princeton University Press.

Barraiz, Sebastiana. 2007. "Columna Sin Secretos." *Quinto Día* (March–July).

Barrantes, Roxana. 2007. *Los fondos públicos o de cómo el presupuesto público va perdiendo capacidad redistributiva.* Lima: Consorcio de Investigación Económica y Social y Instituto de Estudios Peruanos.

Barreiro, Belen. 2008. "Explaining the Electoral Performance of Incumbents in Democracies." In *Controlling Governments: Voters, Institutions, and Accountability,* edited by J. M. Maravall and I. Sanchez-Cuenca. New York: Cambridge University Press.

Barrett, Patrick, Daniel Chávez, and César Rodríguez-Garavito, eds. 2008. *The New Latin American Left: Utopia Reborn.* Amsterdam: Pluto Press.

BBC World Service. 2009. "Wide Dissatisfaction with Capitalism—Twenty Years after Fall of Berlin Wall." BBC World Service Poll, November 9, 2009, www.bbc.co.uk/worldservice/.

Beasley-Murray, Jon, Maxwell A. Cameron, and Eric Hershberg. 2009. "Latin America's Left Turns: An Introduction." *Third World Quarterly* 30, no. 2: 319–30.

Benton, Allyson L. 2005. "Dissatisfied Democrats or Retrospective Voters? Economic Hardship, Political Institutions, and Voting." *Comparative Political Studies* 38:417–42.

Bergounioux, Alain, and Bernard Manin. 1979. *La social-démocratie et le compromis.* Paris: PUF.

———. 1989. *Le régime social-démocrate*. Paris: PUF.Bermeo, Nancy. 1992. "Democracy and the Lessons of Dictatorship." *Comparative Politics* 24, no. 3: 273–91.

Berrios, Ruben, Andrae Marak, and Scott Morgenstern. Forthcoming. "Explaining Hydrocarbon Nationalization in Latin America: Economics and Political Ideology." *Review of International Political Economy.*

Besada, Pilar. 2009. "Reforma educativa: Solo hay comisiones." *Diario El Pais Digital,* July 18, 2009.

Bianchi, Alvaro, and Ruy Braga. 2005. "Brazil: The Lula Government and Financial Globalization." *Social Forces* 83, no. 4: 1745–62.

Biardeau, Javier. 2007. "La política y lo político en tiempos de la democracia posliberal." In *Debate por Venezuela,* edited by Gregorio Castro. Caracas: Grupo Alfa.

Boas, Taylor. 2009. "Varieties of Electioneering: Presidential Campaigns in Latin America." Ph.D. diss., University of California, Berkeley.

Boeninger, Edgardo. 2005. "Economía política de la reforma de la salud." In *Reforma de la salud en Chile: Desafíos de la implementación.* Santiago: Universidad Andrés Bello.

———. 2007. *Políticas Públicas en Democracia.* Santiago: Uqbar.

Boix, Carles. 1996. *Partidos políticos, crecimiento e igualdad: Estrategias económica conservadoras y socialdemócratas en la economía mundial.* Madrid: Alianza Editorial.

Bonvecchi, Alejandro. 2004. "El Gobierno de Kirchner: ¿Una Reversión del Menemismo?" Unpublished manuscript, Universidad Torcuato Di Tella, Buenos Aires.

Bowen, James D. 2010. "Ecuador's 2009 Presidential and Legislative Elections." *Electoral Studies* 29:171–95.

Bradley, David, Evelyne Huber, Stephanie Moller, François Nielsen, and John D. Stephens. 2003. "Distribution and Redistribution in Postindustrial Democracies," *World Politics* 55 (January): 193–228.

Brady, Henry E., and Richard Johnston, eds. 2006. *Capturing Campaign Effects.* Ann Arbor: University of Michigan Press.

Briggs, Charles, and Clara Briggs. 2007. "'Misión Barrio Adentro': Medicina Social, Movimientos Sociales de los Pobres, y Nuevas Coaliciones en Venezuela." *Salud Colectiva* 3, no. 2 (May–August): 159–76.

Brinks, Daniel. 2008. *The Judicial Response to Police Killings in Latin America: Inequality and the Rule of Law.* Cambridge: Cambridge University Press.

Bruhn, Kathleen. 1997. *Taking on Goliath: The Emergence of a New Left Party and the Struggle for Democracy in Mexico.* University Park: Pennsylvania State University Press.

Brysk, Alison. 2000. *From Tribal Village to Global Village: Indian Rights and International Relations in Latin America.* Stanford, CA: Stanford University Press.

Buitrago, Miguel. 2010. "Bolivia: How Absolute Is Morales' Power?" *GIGA Focus* 2 (February).

Burgess, Katrina, and Steven Levitsky. 2003. "Explaining Populist Party Adaptation in Latin America: Environmental and Organizational Determinants of Party Change in Argentina, Mexico, Peru, and Venezuela." *Comparative Political Studies* 36, no. 8: 881–911.

Buxton, Julia. 2003. "Politica economica y ascenso de Hugo Chavez al poder." In *La política venezolana en la época de Chavez: Clases, polarización y conflicto,* edited by Steve Ellner and Daniel Hellinger. Caracas: Editorial Nueva Sociedad.

Caldeira, Teresa P. R. 2000. *City of Walls: Crime, Segregation, and Citizenship in São Paulo.* Berkeley: University of California Press.

Cameron, Maxwell A. 1994. *Democracy and Authoritarianism in Peru: Political Coalitions and Social Change.* New York: St. Martin's Press.

———. 2009. "Latin America's Left Turns: Beyond Good and Bad." *Third World Quarterly* 30, no. 2: 331–48.

Cammack, Paul. 1997. "Cardoso's Political Project in Brazil: The Limits of Social Democracy." *Socialist Register* 33:223–43.

Campero, Guillermo. 1998. "Más allá del Individualismo." In *Construyendo opciones,* edited by René Cortázar and Joaquín Vial. Santiago: CIEPLAN.

Campodónico, M. 2006. "Bajan edad para cobro de pension a la vejez." *Diario el Observador,* December 6.

Cardoso, Adalberto. 2007. "Sindicatos e pós-neoliberalismo en América Latina." Análise *de Conjuntura OPSA* 8 (August), http://observatorio.iuperj.br.Cardoso, Fernando Henrique, and Enzo Faletto. 1979. *Dependency and Development in Latin America.* Berkeley: University of California Press.

Carlsen, Laura. 2007. "Bolivia—Coming to Terms with Diversity: An Interview with Álvaro

García Linera, Vice President of Bolivia." In *Americas Policy Program Special Report,* November 16, http://americas.irc-online.org/am/4735.html.

Carrión, Julio, ed. 2006. *The Fujimori Legacy: The Rise of Electoral Authoritarianism in Peru.* University Park: Pennsylvania State University Press.

"Casi 70 mil niños entraron al nuevo sistema de salud." 2008. *Diario el Observador,* January 4, online version, www.observa.com.uy/.

Cason, Jeffrey W., and Timothy J. Power. 2009. "Presidentialization, Pluralization, and the Rollback of Itamaraty: Explaining Change in Brazilian Foreign Policy Making in the Cardoso–Lula Era." *International Political Science Review* 30, no. 2: 117–40.

Castañeda, Jorge G. 1993. *Utopia Unarmed: The Latin American Left after the Cold War.* New York: Vintage Books.

———. 2006. "Latin America's Left Turn. " *Foreign Affairs* 85, no. 3 (May–June): 28–43.

Castañeda, Jorge, and Patricio Navia. 2007. "New Leaders, New Voices." *Americas Quarterly* 1 (Spring): 40–51.

Castelar, Armando, Regis Bonelli, and Ben Schneider. 2007. "Pragmatism and Market Reforms in Brazil." *In Understanding Market Reforms in Latin America,* edited by José Maria Fanelli. New York: Palgrave Macmillan.

Castelar Pinheiro, Armando, and Ben Ross Schneider. 1994. "The Fiscal Impact of Privatization in Latin America." *Quarterly Review of Economics and Finance* 34 (Summer): 9–42.

Castiglioni, Rossana. 2005. *The Politics of Social Policy Change in Chile and Uruguay: Retrenchment versus Maintenance, 1973–1998.* New York: Routledge.

Centeno, Miguel. 2002. *Blood and Debt: War and the Nation-State in Latin America.* University Park: Pennsylvania State University Press.

Centrángolo, O., D. Heymann, and A. Ramos. 2007. "Macroeconomía en recuperación: La Argentina post-crisis." In *Crísis, Recuperación y Nuevos Dilemas: La Economía Argentina 2002–2007,* edited by B. Kosacoff. Santiago: CEPAL.

Centro de Estudios y Datos (CEDATOS). 2010. Evaluación de la Revolución Ciudadana. *Revista Estudios y Datos* (January).

CEPAC. See Pesquisa e Comunicação.

Chartock, Sarah. 2008. "Ethnodevelopment in Latin America: Diverse Competition and the Making of Ethnically Targeted Participatory Policy in Ecuador, Peru, and Guatemala: 1985–2005." Ph.D. diss., Princeton University.

Chasquetti, Daniel. 2007. "Uruguay 2006: Éxitos y dilemas del gobierno de izquierda." *Revista de Ciencia Política* (Santiago) 27, no. 2: 249–63.

Chávez, Daniel, and Benjamin Goldfrank, eds. 2004. *The Left in the City: Participatory Local Governments in Latin America.* London: Latin American Bureau and Transnational Institute.

Chávez, Hugo Rafael. 2006. "Chávez llama a conformar el Partido Socialista." Caracas, December 16, www.aporrea.org/ideología/n87995.html.

———. 2007. "Juramentación del Consejo Presidencial para la Reforma Constitucional y del Consejo Presidencial del Poder Comunal." Teatro Teresa Carreño, Caracas, January 17, www.minci.gob.ve/doc/17ene2007juramentacion.doc.

Chevigny, Paul. 2003. "The Populism of Fear: Politics of Crime in the Americas." *Punishment and Society* 5, no. 1: 77–96.

"Chile: Surging Anew." 2010. *Latin American Economy and Business* (June): 13.

Ciarnello, Maite, Marcela Barrios, and Bolívar Moreira. 2006. "Una experiencia de Diálogo Social en el medio rural: La convocatoria al Consejo Tripartito Rural." *Boletín Cinterfor* 157:145–65.

Cleary, Matthew R. 2006. "Explaining the Left's Resurgence." *Journal of Democracy* 17, no. 4 (October): 35–49.

———. 2009. "A Two-Stage Explanation of the New Latin American Left." Paper presented at the Twenty-eighth International Congress of the Latin American Studies Association, Rio de Janeiro, Brazil, June 2009.

Colburn, Forrest D. 2002. *Latin America at the End of Politics.* Princeton, NJ: Princeton University Press.

Collier, David. 1976. *Squatters and Oligarchs: Authoritarian Rule and Policy Change in Peru.* Baltimore: Johns Hopkins University Press.

———, ed. 1979. *The New Authoritarianism in Latin America.* Princeton, NJ: Princeton University Press.

Collier, Ruth Berins. 1992. *The Contradictory Alliance: State-Labor Relations and Regime Change in Mexico.* Berkeley: International and Area Studies, University of California, Berkeley.

Collier, Ruth Berins, and David Collier. 1991. *Shaping the Political Arena: Critical Junctures, the Labor Movement, and Regime Dynamics in Latin America.* Princeton, NJ: Princeton University Press.

Collier, Ruth Berins, and Samuel Handlin. 2009a. "Introduction: Popular Representation in the Interest Arena." In Collier and Handlin 2009b.

———, eds. 2009b. *Reorganizing Popular Politics: Participation and the New Interest Regime in Latin America.* University Park: Pennsylvania State University Press.

———. 2009c. "Situating the Analysis: Analytic Approach, Cases, and Historical Context." In Collier and Handlin 2009b.

Colomer, Josep. 2005. "The Left-Right Dimension in Latin America." Economics Working Papers No. 813. Universitat Pompeu Fabra, Barcelona, Spain.

Comisión Económica para América Latina (ECLAC). 2010. *Anuario Estadístico de América Latina y el Caribe, 2009.* Santiago, Chile: United Nations.

"Commanding Heights: Ricardo Lagos on PBS." 2002. www.pbs.org/cgi-registry/2wgbh/commandingheights/printable.cgi.

Comoroff, Jean, and John L. Comoroff. 2006. "Figuring Crime: Quantifacts and the Production of the Un/Real." *Public Culture* 81, no. 1: 209–46.

Conaghan, Catherine M. 2005. *Fujimori's Peru: Deception in the Public Sphere.* Pittsburgh: University of Pittsburgh Press.

Conaghan, Catherine, and Carlos de la Torre. 2008. "The Permanent Campaign of Rafael Correa: Making Ecuador's Plebiscitary Presidency." *International Journal of Press/Politics* 13, no. 2 (July): 267–84.

"Congreso ratificó alza de 3,7% al salario mínimo." 2009. *Diario el Mercurio,* June 18, online version, http://diario.elmercurio.com/.

Consejo de Reforma Previsional. 2006. *Resumen Ejecutivo,* www.consejoreformaprevisional.cl/documentos/InformeFinal/ResumenEjecutivo.pdf.

Consejo Nacional Electoral. 2007. *Resultados del Referendo de la Reforma Constitucional 2007,* www.cne.gob.ve/divulgacion_referendo_reforma/.

Constable, Pamela, and Arturo Valenzuela. 1991. *A Nation of Enemies.* New York: Norton.

Coppedge, Michael. 1994. *Strong Parties and Lame Ducks: Presidential Partyarchy and Factionalism in Venezuela.* Stanford, CA: Stanford University Press.

———. 1997. "A Classification of Latin American Political Parties." Kellogg Institute Working Paper No. 244, November, University of Notre Dame.

Coronil, Fernando. 1997. *The Magical State.* Chicago: University of Chicago Press.

Corrales, Javier. 2002. *Presidents without Parties: The Politics of Economic Reform in Argentina and Veneuzela in the 1990s.* University Park: Pennsylvania State University Press.

———. 2003. "Market Reforms." In *Constructing Democratic Governance in Latin America,* edited by Jorge Domínguez and Michael Shifter. Baltimore: Johns Hopkins University Press.

———. 2007. "The Backlash against Market Reforms and the Left in Latin America in the 2000s." Paper presented at the 2007 Congress of the Latin American Studies Association, Montreal, Canada, September 5–8.

Corrales, Javier, and Michael Penfold. 2007. "Venezuela: Crowding Out the Opposition." *Journal of Democracy* 18, no. 2 (April): 99–113.

Correa, Rafael. 2002. "Structural Reforms and Economic Growth in Latin America: A Sensitivity Analysis." *CEPAL Review* 76 (April): 87–104.

Courtoisie, Denise, and Néstor Da Costa. 2005. "La atención a la emergencia social: Informe sobre los primeros meses del PANES en el Uruguay." Cuadernos del CLAEH 91:29–54.

Cox, Cristian. 2003. "Las políticas educacionales de chile en las últimas dos décadas del siglo XX." In *Políticas Educacionales en el Cambio de Siglo,* edited by Cristian Cox. Santiago: Editorial Universitaria.

———. 2006. "Policy Formation and Implementation in Secondary Education Reform: the Case of Chile at the Turn of the Century." World Bank Working Paper, World Bank, Washington, DC.

Cox, Gary W., and Mathew McCubbins. 2001. "The Institutional Determinants of Economic Policy Outcomes." In *Presidents, Parliaments, and Policy,* edited by Stephen Haggard and Mathew McCubbins. New York: Cambridge University Press.

Cuenca, A. 2007. "Plan de Equidad subsidiará agua y luz de hogares pobres." *Diario el Observador,* December 13, online version, http://www.observa.com.uy/.

Dalgalarrando, M. Gracia. 2007. "Radicales critican las reformas educativas." *Diario el Mercurio,* October 9, online version, http://diario.elmercurio.cl.

Damill, Mario, Roberto Frenkel, and Roxana Maurizio. 2007. "Macroeconomic Policy Changes in Argentina at the turn of the century." In *In the Wake of the Crisis: Argentina's New Economic and Labour Policy Directions and Their Impact,* by Marta Novick, Carlos Tomada, Mario Damill, Roberto Frenkel, and Roxana Maurizio. Research Series 114. Geneva: International Institute for Labour Studies, International Labour Organization.

Damill, Mario, Roberto Frenkel, and Martín Rapetti. 2005. "La Deuda Argentina: Historia, Default y Restructuración." *Desarrollo Económico* 45, 178: 187–233 .

Dammert, Lucía. 2006. "From Public Security to Citizen Security in Chile." In *Police Security and Police Reform in the Americas,* edited by John Bailey and Lucía Dammert. Pittsburgh: University of Pittsburgh Press.

Dammert, Lucía and Javiera Díaz. 2006. *¿Politicizacíon de la seguridad o securitización de la política? Boletín del Programa Seguridad y Ciudadanía* No. 2, May 2006, FLACSO, Chile.

Dávila, Mireya. 2005. "Health Reform in Contemporary Chile: Does Politics Matter?" Master's thesis, University of North Carolina at Chapel Hill.

———. 2006. "Health Reform in Contemporary Chile." Paper presented at the VIII Congreso Chileno de Ciencia Política, Santiago, November 15–17.

De Armas, Gustavo. 2009. "La relación entre estado y sociedad civil en el área de las políticas sociales en el primer gobierno de izquierda en Uruguay." In *La "nueva izquierda" en América Latina: Derechos humanos, participación política y sociedad civil,* edited by Cynthia Arnson, Ariel C. Armony, Catalina Smulovitz, Gastón Chillier, Enrique Peruzzotti, and Giselle Cohen. Washington, DC: Woodrow Wilson Center for International Scholars.

Debs, Alexandre, and Gretchen Helmke. 2008. "Inequality under Democracy: Explaining 'The Left Decade' in Latin America." Paper presented at the 2008 Annual Meeting of the American Political Science Association, Boston, August 28–31.

De Ferranti, David, Guillermo E. Perry, and Francisco Ferreira. 2004. *Inequality in Latin America: Breaking with History?* Washington, DC: World Bank .

De la Torre, Carlos. 2010. "El tecnopopulismo de Rafael Correa." Facultad Latinoamericana de Ciencias Sociales, Quito, Ecuador.

Dellasoppa, Emilio Enrique, and Zoraia Sant'Clair Branco. 2006. "Brazil's Public-Security Plans." In *Police Security and Police Reform in the Americas,* edited by John Bailey and Lucía Dammert. Pittsburgh: University of Pittsburgh Press.

Destéffanis, Yamhidlla. 2007. "Diagnóstico sobre el Espacio de Diálogo Social: Un estudio a partir de la percepción de sus protagonistas." ANONG, December, www.anong.org.uy/docs/documentos%20ANONG/espaciodedialogo.pdf.

Diamond, Larry, and Leonardo Morlino, eds. 2005. *Assessing the Quality of Democracy.* Baltimore: Johns Hopkins University Press.

Díaz, Benito. 2007. "Participación ciudadana en cooperativas de Consejos Comunales en Trujillo, Venezuela." Paper presented at the First International CIRIEC Research Conference on the Social Economy, Victoria, British Columbia, Canada, October 22–25.

Diniz, Eli, and Renato Boschi. 2007. *A Difícil Rota do Desenvolvimento.* Rio de Janeiro: IUPERJ.

Doctor, Mahrukh. 2007. "Lula's Development Council: Neo-Corporatism and Policy Reform in Brazil." *Latin American Perspectives* 34, no. 6 (November): 131–48.

Domínguez, Jorge. 1997. "Latin America's Crisis of Representation." *Foreign Affairs* 76:1.

Dornbusch, Rudiger, and Sebastian Edwards. 1990. "Macroeconomic Populism." *Journal of Development Economics* 32:247–75.

———. 1991. *The Macroeconomics of Populism in Latin America.* Chicago: University of Chicago Press.

Draibe, Sónia M. 2004. "Federal Leverage in a Decentralized System: Education Reform in Brazil." In *Crucial Needs, Weak Incentives: Social Sector Reform, Democratization, and Globalization in Latin America,* edited by Robert R. Kaufman and Joan M. Nelson. Washington, DC: Woodrow Wilson Center Press; Baltimore: Johns Hopkins University Press.

Drake, Paul W. 1978. *Socialism and Populism in Chile, 1932–1952.* Urbana: University of Illinois Press.

Dunning, Thad. 2009. "Direct Action and Associational Participation: Problem-Solving Repertoires of Individuals." In Collier and Handlin 2009b.

Durand Ochoa, Ursula. 2008. *Coca o muerte: La radicalización del movimiento cocalero.* Lima: Centro de Estudios y Promoción del Desarrollo (DESCO).

ECLAC. See Economic Commission for Latin America and the Caribbean. Also see Comisión Económica para América Latina.

Economic Commission for Latin America and the Caribbean (ECLAC). 1998. *El pacto fiscal.* Santiago: United Nations.

———. 2002. *Social Panorama of Latin America.* Santiago: United Nations.

———. 2003. *Economic Survey of Latin America and the Caribbean: Current Conditions and Outlook.* August. Santiago: United Nations.

———. 2004. *Social Panorama of Latin America.* November. Santiago: United Nations.

———. 2006. *Social Panorama of Latin America and the Caribbean.* Santiago: United Nations.

———. 2007. *Preliminary Overview of the Economies of Latin America and the Caribbean.* Santiago: United Nations.

———. 2009. *Panorama Social de América Latina.* Santiago: United Nations.

Economist Intelligence Unit. 2003. *Country Profile 2003: Chile.* London: EIU.

Edwards, Sebastian. 1995. *Crisis and Reform in Latin America: From Despair to Hope.* New York: Oxford University Press.

Egaña, María Loreto. 2003. "Chile: La educación de jóvenes y adultos en la actualidad." In Kurt Weyland's possession.

"El gobierno no tiene datos. . . ." 2006. *La Razon,* November 22, online edition, www.la-razon.com/.

"El gobierno sacará a las AFP y administrará las jubilaciones." 2008. *La Razon,* July 18, online edition, www.la-razon.com/.

Ellner, Steve. 2005. "Revolutionary and Non-Revolutionary Paths of Radical Populism: Directions of the Chavista Movement in Venezuela." *Science and Society* 69, no. 2 (April): 160–90.

———. 2008. *Rethinking Venezuelan Politics.* Boulder: Lynne Rienner.

Ellner, Steve, and Daniel Hellinger, eds. 2003. *Venezuelan Politics in the Chávez Era: Class, Polarization, and Conflict.* Boulder: Lynne Rienner.

"En la emancipación de los pueblos, Evo es sustituible." 2006. *La Razón,* August 5, www.larazon.com/versiones/20060805%5F005624/nota_244_316937.htm.

Ernst and Young Global. 2009. *Doing Transactions in Brazil.* Transaction Advisory Services, November.

Esping-Anderson, Gosta. 1985. *Politics against Markets: The Social Democratic Road to Power.* Princeton, NJ: Princeton University Press.

———. 1990. *The Three Worlds of Welfare Capitalism.* Princeton, NJ: Princeton University Press.

Espinosa, Consuelo, Marcelo Tokman Román, and Jorge Rodríguez Cabello. 2005. "Finanza Públicas de la Reforma." In *Reforma de la Salud en Chile: Desafíos de la Implementación,* edited by U. A. Bello. Santiago: Universidad de Andrés Bello.

Etchemendy, Sebastián. 2005. "Old Actors in New Markets: Transforming the Populist/Industrial Coalition in Argentina, 1989–2001." In *Argentine Democracy: The Politics of Institutional Weakness,* edited by Steven Levitsky and Victoria Murillo. University Park: Pennsylvania State University Press.

Etchemendy, Sebastián, and Ruth Berins Collier. 2007. "Down but Not Out: Union Resur-

gence and Segmented Neocorporatism in Argentina (2003–2007)." *Politics and Society* 35, no. 3: 362–401.

Evans, Peter. 1995. *Embedded Autonomy: States and Industrial Transformation.* Princeton, NJ: Princeton University Press.

Fairfield, Tasha. 2007. "The Politics of Equity-Enhancing Tax Reform in Chile and Argentina." Unpublished paper, Department of Political Science, University of California, Berkeley.

Farrell, David M., and Rudiger Schmidt-Beck. 2002. *Do Political Campaigns Matter? Campaign Effects in Elections and Referendums.* New York: Routledge.

Faúndez, Julio. 1988. *Marxism and Democracy in Chile: From 1932 to the Fall of Allende.* New Haven, CT: Yale University Press.

Fernández, Gustavo. 2010. "Bolivian Foreign Policy: Observations on the Bolivia-Iran Relationship." In *Iran in Latin America: Threat or 'Axis of Annoyance'?* edited by Cynthia Arson, Haleh Esfandiari, and Adam Stubits. Washington, DC: Woodrow Wilson International Center for Scholars.

Fernández, Paulina, and Marcelo Charlin. 2006. "Políticas y Programas de Apoyo a la Inserción Laboral de los Jóvenes en Chile." In *Juventud y Mercado Laboral,* edited by Marcelo Charlin de Groote and Jürgen Weller. Santiago: FLACSO.

Fernández-Arias, Eduardo, and Peter J. Montiel. 2009. "Crisis Response in Latin America: Is the Rainy Day at Hand?" Research Department Working Paper No. 686. Washington, DC: Inter-American Development Bank.

Ferreira, Francisco, Phillippe Leite, and Julie Litchfield. 2006. "The Rise and Fall of Brazilian Inequality: 1981–2004." Policy Research Working Paper 3867, World Bank, Washington, DC.

Ferreira, Francisco, Phillippe Leite, and Martin Ravallion. 2007. "Poverty Reduction without Economic Growth?" Policy Research Working Paper 4431, World Bank, Washington, DC.

Ffrench-Davis, Ricardo. 2002. *Economic Reforms in Chile.* Ann Arbor: University of Michigan Press.

Filgueiras, Luiz, and Reinaldo Gonçalves. 2007. *A Economia Política do Governo Lula.* Rio de Janeiro: Contraponto.

Fiorina, Morris. 1981. *Retrospective Voting in American National Elections.* New Haven, CT: Yale University Press.

Fishlow, Albert. 2006. "Latin America Jogs Left." *Milken Institute Review* (Third Quarter): 8–15.

Flores-Macías, Gustavo A. 2010. "Statist vs. Pro-Market: Explaining Leftist Governments' Economic Policies in Latin America." *Comparative Politics* 42, no. 4 (July): 413–34.

Foxley, Alejandro. 1983. *Latin American Experiments in Neoconservative Economics.* Berkeley: University of California Press.

———. 2010. "More Market or More State for Latin America?" In *Democratic Governance in Latin America,* edited by Scott Mainwaring and Timothy Scully. Stanford, CA: Stanford University Press.

Freedom House. 2009a. "Ecuador." *Freedom of the Press 2009.* www.freedomhouse.org/template.cfm?page=251&year=2009.

———. 2009b. *Freedom in the World 2009: The Annual Survey of Political Rights and Civil Liberties.* Washington, DC, www.freedomhouse.org.

French, John D. 2009. "Understanding the Politics of Latin America's Plural Lefts (Chávez/

Lula): Social Democracy, Populism, and Convergence on the Path to a Post-neoliberal World." *Third World Quarterly* 30, no. 2: 349–70.

Frente Amplio. 2007. *Party Statute.* Montevideo, Uruguay, www.frenteamplio.org.uy/documentos/actuales .

Frühling, Hugo. 2003. "Police Reform and the Process of Democratization." In Frühling and Tulchin 2003.

Frühling, Hugo, and Joseph S. Tulchin, eds., 2003. *Crime and Violence in Latin America: Citizen Security, Democracy, and the State.* Washington, DC: Woodrow Wilson Center; Baltimore: Johns Hopkins University Press, 2003.

Fuentes, Claudio. 1999. "Partidos y Coaliciones en el Chile de los '90. Entre pactos y proyectos." In *El Modelo Chileno,* edited by Paul W. Drake and Iván Jaksić. Santiago: LOM Ediciones.

Fundação Perseu Abramo. 2006. "Imagem partidária e cultura política." Public opinion poll. March. Fundação Perseu Abramo, São Paulo.

Furtado, Magdalena. 2006. "Uruguay: Impacto social y económico del salario mínimo." In *Para qué sirve el salario mínimo?* edited by Andrés Marinakis and Juan Jacobo Velasco. Santiago: ILO.

Gadotti, Moacir, and Otaviano Pereira. 1989. *Pra que PT: Origem, projeto e consolidação do Partido dos Trabalhadores.* São Paulo: Cortez.

Gallagher, Tom, and Allan Williams, eds. 1989. *Southern European Socialism.* Manchester: Manchester University Press.

Gallegos, Franklin. 2006. "Mucho mas que Dos Izquierdas." *Nueva Sociedad* 205: 30–44.

Garay, Candelaria. 2007. "Social Policy and Collective Action: Unemployed Workers, Community Associations, and Protest in Argentina." *Politics and Society* 35, no. 2: 301–28.

———. 2009. "Associational Linkages to Labor Unions and Political Parties in Latin America." In Collier and Handlin 2009b.

———. 2010. "Including Outsiders: Social Policy Expansion in Latin America." Ph.D. diss., University of California, Berkeley.

García-Guadilla, María Pilar. 2003. "Civil Society: Institutionalization, Fragmentation, Autonomy." In Ellner and Hellinger 2003.

———. 2006. "Ciudadanía y Autonomía en las Organizaciones Sociales Bolivarianos: Los Comités de Tierra Urbana como Movimientos Sociales." *Cuadernos del CENDES* 24:66.

———. 2007. "El Poder Popular y la Democracia Participativa en Venezuela: Los Consejos Comunales." Paper presented at the International Congress of the Latin American Studies Association, Montreal, Canada, September 5–8.

García Pérez, Alan. 2005. *Globalization with Social Justice: Modernization and Politics in the 21st Century.* Rockville, MD: Red and White.

———. 2007. "El syndrome del perro del hortelano." *El Comercio.* Available at www.elcomercio.com.pe/edicionimpresa/html/2007–10–28/el_sindrome_del_perro_del_hort.html.

Garretón, Manuel Antonio. 1987. "¿En Qué Consistió la Renovación Socialista? Síntesis y Evaluación de sus Contenidos." In *La Renovación Socialista: Balance y Perspectivas de un Proceso Vigente.* Santiago: Ediciones Valentín Letelier.

Garrett, Geoffrey. 1998. *Partisan Politics in the Global Economy.* New York: Cambridge University Press.

Garrido, Alberto. 2000. *La historia secreta de la revolución bolivariana.* Mérida: Editorial Venezolana.

Gerchunoff, Pablo, and Damian Antúnez. 2002. "De la bonanza peronista a la crísis de desarrollo." In *Los años peronistas (1943–1955),* edited by Juan Carlos Torre. Buenos Aires: Editorial Sudamericana.

Glass, Verena. 2004. "ONGs desistem do diálogo com Lula." *Jornal do Brasil,* September 1, pp. 1, A5.

Gobierno de Chile. 2006. *Reforma Previsional: Protección para la Vejez en el Nuevo Milenio.* Santiago: Gobierno.

"Gobierno renuncia a Entrada de Bancos e insistirá con AFP estatal." 2006. *El Mercurio: Economía y Negocios,* January 11.

"Gobierno sufre revés en el Senado tras rechazo de la entrada de la banca al sistema de AFP." 2008. *Diario el Mercurio,* January 10, online version, www.mercurio.cl.

Goldfrank, Benjamin. 2003. "Making Participation Work in Porto Alegre." In Baiocchi 2003.

———. 2004. "Conclusion: The End of Politics or a New Beginning for the Left?" In Chavez and Goldfrank 2004.

———. 2007a. "Lessons from Latin American Experience in Participatory Budgeting." In *Participatory Budgeting,* edited by Anwar Shah. Washington, DC: World Bank Institute.

———. 2007b. "The Politics of Deepening Local Democracy: Decentralization, Party Institutionalization, and Participation." *Comparative Politics* 39, no. 2 (January): 147–68.

Goldfrank, Benjamin, and Aaron Schneider. 2006. "Competitive Institution Building: The PT and Participatory Budgeting in Rio Grande do Sul." *Latin American Politics and Society* 48, no. 3: 1–31.

Goldfrank, Benjamin, and Andrew Schrank. 2009. "Municipal Neoliberalism and Municipal Socialism: Urban Political Economy in Latin America." *International Journal of Urban and Regional Research* 33, no. 2 (June): 443–62.

Gómez Calcaño, Luis, and Margarita López Maya. 1990. *El tejido de Penélope: La reforma del Estado en Venezuela (1984–1988).* Caracas: Cendes-Apucv-IPP.

Gómez Sabaini, Juan. 2006. "Cohesión social, equidad y tributación: Análisis y perspectivas para América Latina." www.cepal.org.

Gould, Jens. 2007. "Venezuela's Fateful Choice." *New York Times,* November 30, C1.

Government of Chile. 2007. *Componentes: Cómo funciona Chile Solidario?* www.chilesolidario.gov.cl/publico/que_es.php?art=4.

———. 2010. "Plan GES (Ex-AUGE)," Library of Congress Report, http://www.bcn.cl/guias/plan-ges-ex-auge.

Gray Molina, George. 2010. "The Challenge of Progressive Change under Evo Morales." In Weyland, Madrid, and Hunter 2010.

"Growing Evidence of Local Cocaine Processing Business." 2010. *Latin American Weekly Report* WR-10–12 (March 25): 9.

Gutiérrez, Francisco, and Pablo Policzer. 2008. "The Politics of Violence in Latin America's Left Turn." Paper presented to the "Latin America's Left Turns" Workshop, Simon Fraser University, Burnaby, BC, April 18–19, 2008.

Haagh, Louise. 2002. "The Emperor's New Clothes: Labor Reform and Social Democratization in Chile." *Studies in Comparative International Development* 37, no. 1 (Spring): 86–115.

Hagopian, Frances. 1996. *Traditional Politics and Regime Change in Brazil.* New York: Cambridge University Press.

———. 1998. "Democracy and Political Representation in Latin America in the 1990s: Pause, Reorganization, or Decline?" In *Fault Lines of Democracy in Post-Transition Latin America,* edited by Felipe Agüero and Jeffrey Stark. Coral Gables, FL; North-South Center Press / University of Miami.

Hale, Charles R. 1996. *Resistance and Contradiction: Miskitu Indians and the Nicaraguan State, 1894–1987.* Stanford, CA: Stanford University Press.

———. 2002. "Does Multiculturalism Menace? Governance, Cultural Rights, and the Politics of Identity in Guatemala." *Journal of Latin American Studies* 34 (August): 485–524.

Hall, Anthony. 2006. "From *Fome Zero* to *Bolsa Família:* Social Policies and Poverty Alleviation under Lula." *Journal of Latin American Studies* 38 (November): 689–709.

Hall, Gillette, and Harry Anthony Patrinos. 2006. *Pueblos Indígenas, Pobreza y Desarrollo Humano en América Latina, 1994–2000.* Washington, DC: World Bank.

Hall, Peter A., and David Soskice, eds. 2001. *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage.* Oxford: Oxford University Press.

Hansen, David R., and Kirk A. Hawkins. 2004. "Dependent Civil Society: The Circulos Bolivarianos in Venezuela." Paper presented at the XXV International Congress of the Latin American Studies Association, Las Vegas, October 7–9.

Harnecker, Marta. 2003. *Militares junto al pueblo.* Caracas: Vadell Hnos. Editores.

Hawkins, Kirk, Adam Anguiano, Jane Ann Patch, and Mitchell Seligson. 2008. *Political Culture of Democracy in Venezuela: 2007.* Published online by the Latin American Public Opinion Project, Vanderbilt University, www.vanderbilt.edu/lapop/.

Hawkins, Kirk, and David Hansen. 2006. "Dependent Civil Society: The Circulos Bolivarianos in Venezuela." *Latin American Research Review* 41, no. 1: 102–32.

Hawkins, Kirk, and Guillermo Rosas. 2006. "Social Spending in Chávez's Venezuela." Paper presented at the 77th Annual Meeting, Southern Political Science Association, Atlanta, GA, January 5.

Henisz, Witold J., Bennet A. Zelner, and Mauro F. Guillen. 2005. "The Worldwide Diffusion of Market-Oriented Infrastructure Reform, 1977–1999." *American Sociological Review* 70:871–97.

Heritage Foundation. 2010. *Index of Economic Freedom.* Washington, DC: Heritage Foundation, www.heritage.org/index/country/Bolivia.

Hertzler, Douglas. 2007. "Bolivia's Agrarian Revolution: Trying to Keep the Promises of Past Governments." Andean Information Network, www.wola.org/bolivia/AIN%20Land%20Reform%2008.07.pdf.

Hochstetler, Kathryn. 2008. "Organized Civil Society in Lula's Brazil." In Kingstone and Power 2008.

Hoffmann, Rodolfo. 2006. "Transferências de Renda e a Redução da Desigualdade no Brasil entre 1997 e 2004." *Econômica* 8, no. 1 (June): 55–81.

Holland, Alisha. 2007. "The Battle after the War: *Mano Dura* Policies and the Politics of Crime in El Salvador." Senior thesis, Woodrow Wilson School, Princeton University.

Holston, James, and Teresa P. R. Caldeira. 1998. "Democracy, Law, and Violence: Disjunctions of Brazilian Citizenship." In *Fault Lines of Democracy in Post-Transition Latin America,* edited by Felipe Aguero and Jeffrey Stark. Miami: North-South Center Press.

Hsieh, Chang-Tai, Daniel Ortega, Edward Miguel, and Francisco Rodríguez. 2008. "The Price of Political Opposition: Evidence from Venezuela's *Maisanta.*" GSB Working Paper No. 08–14, Graduate School of Business, University of Chicago.

Huber, Evelyne, ed. 2002. *Models of Capitalism: Lessons for Latin America.* University Park: Pennsylvania State University Press.

Huber Evelyne, Thomas Mustillo, and John D. Stephens. 2008. "Politics and Social Spending in Latin America." *Journal of Politics* 70, no. 2: 420–36.

Huber, Evelyne, Jenny Pribble, and John Stephens. 2010. "The Chilean Left in Power: Achievements, Failures, and Omissions." In Weyland, Madrid, and Hunter 2010.

Huber, Evelyne, and Fred Solt. 2004. "Successes and Failures of Neoliberalism." *Latin American Research Review* 39, no. 3: 150–63.

Huber, Evelyne, and John Stephens. 2001. *Development and Crisis of the Welfare State: Parties and Policies in Global Markets.* Chicago: University of Chicago Press.

Humala Tasso, Antauro. 2001. *Ejército Peruano: Milenarismo, nacionalismo y etnocacerismo.* Lima: Instituto de Estudios Etnogeopolíticos.

Hunter, Wendy. 2007. "The Normalization of an Anomaly: The Workers' Party in Brazil." *World Politics* 59, no. 3 (April): 440–75.

———. 2010. *Transformation of the Workers' Party in Brazil, 1989–2009.* New York: Cambridge University Press.

Hunter, Wendy, and Natasha Borges Sugiyama. 2009. "Democracy and Social Policy in Brazil: Advancing Basic Needs, Preserving Privileged Interests." *Latin American Politics and Society* 51, no. 2 (Summer): 29–58.

Hunter, Wendy, and Timothy Power. 2007. "Rewarding Lula: Executive Power, Social Policy, and the Brazilian Elections of 2006." *Journal of Latin American Politics and Society* 49, no. 1 (Spring): 1–30.

Huntington, Samuel P. 1991. *The Third Wave.* Norman: University of Oklahoma Press.

Hurrell, Andrew. 2008. "Brazil on the World Stage." *Current History* 107, no. 706 (February): 51–57.

IADB. See Inter-American Development Bank.

IEDI. See Instituto de Estudos para o Desenvolvimento Industrial.

IMF. See International Monetary Fund.

INEI. See Instituto Nacional de Estadística e Informática.

Instituto de Ciencia Política. 2009. *Informe de Coyuntura.* Montevideo: Fin de Siglo.

Instituto de Economía. 2008. *Informe de Coyuntura.* Montevideo: Universidad de La República.

Instituto de Estudos para o Desenvolvimento Industrial (IEDI). 2008. *A Política do Desenvolvimento Produtivo.* São Paulo: IEDI.

Instituto Nacional de Estadística e Informática (INEI). 2010. *Informe Técnico: Evolución de la pobreza al 2009.* Lima: INEI.

Inter-American Development Bank (IADB). 1996. *Economic and Social Progress in Latin America: 1996 Report.* Washington, DC: Inter-American Development Bank.

———. 2000. Report. Reprinted in Hugo Acero Velásquez, "Salud, violencia y seguridad," 2002, in *Ciudad y políticas públicas de seguridad y convivencia,* www.suivd.gov.co/ciudad/MexicoMarzohacero.doc.

———. 2006a. "Bolivia Indicators." www.iadb.org/countries/indicators.cfm?language=English&id_country=BO&pLanguage=ENGLISH&pCountry=BO&parid=8.

———. 2006b. *The Politics of Policies: Economic and Social Progress in Latin America, 2006 Report.* Washington, DC: Inter-American Development Bank; Cambridge, MA: Harvard University David Rockefeller Center for Latin American Studies.

International Monetary Fund (IMF). 2010a. *International Financial Statistics.* Washington, DC: International Monetary Fund, www.imfstatistics.org/imf/.

———. 2010b. *World Economic Outlook Database.* www.imf.org/external/pubs/ft/weo/2010/01/weodata/index.aspx.

Iranzo, Consuelo, and Jacqueline Richter. 2006. "La Política Laboral en la Venezuela de Hugo Chávez Frías." *Revista Latinoamericana de Estudios de Trabajo* 11:18.

Jensen, Nathan M., and Scott Schmith. 2005. "Market Responses to Politics: The Rise of Lula and the Decline of the Brazilian Stock Market." *Comparative Political Studies* 38, no. 10 (December): 1245–70.

Johnson, Gregg B., and Brian F. Crisp. 2003. "Mandates, Powers, and Policies." *American Journal of Political Science* 47, no. 1: 127–41.

Jones, Mark. 2005. "The Role of Parties and Party Systems in the Policymaking Process." Washington, DC: IADB.

Karl, Terry. 1997. *The Paradox of Plenty: Oil Booms and Petro-States.* Berkeley: University of California Press.

Katz, Richard, and Peter Mair. 1995. "Changing Models of Party Organization and Party Democracy." *Party Politics* 1, no. 1: 5–28.

Kaufman, Robert R. 2009. "The Political Effects of Inequality in Latin America: Some Inconvenient Facts." *Comparative Politics* 41, no. 3 (April): 359–79.

Kaufman, Robert R., and Barbara Stallings. 1991. "The Political Economy of Latin American Populism." In Dornbusch and Edwards 1991.

Kearns, Rick. 2008. "Morales Makes Good on Land Reform Promises." *Indian Country Today,* February 18, www.indiancountry.com/content.cfm?id=1096416655.

Keck, Margaret. 1992. *The Workers Party and Democratization in Brazil.* New Haven, CT: Yale University Press.

Kingstone, Peter R., and Aldo F. Ponce. 2010. "From Cardoso to Lula: The Triumph of Pragmatic Neoliberalism in Brazil." In Weyland, Madrid, and Hunter 2010.

Kingstone, Peter, and Timothy J. Power, eds. 2008. *Democratic Brazil Revisited.* Pittsburgh: University of Pittsburgh Press.

Kirchheimer, Otto. 1966. "The Transformation of theWestern European Party System." In *Political Parties and Political Development,* edited by Joseph LaPalombara and Myron Weiner. Princeton, NJ: Princeton University Press.

———. 1990. "The Catch-All Party." In *The West European Party System,* edited by Peter Mair. Oxford: Oxford University Press.

Kitschelt, Herbert. 1993. "Class Structure and Social Democratic Party Strategy." *British Journal of Political Science* 23, no. 3: 299–337.

———. 1994. *The Transformation of European Social Democracy.* New York: Cambridge University Press.

Kohl, Benjamin, and Linda Farthing. 2008. "Be Careful What You Wish For: Challenges Facing a Progressive Administration in Bolivia." Paper presented at the conference "The Performance of Leftist Governments in Latin America: What Does the Left Do Right?" University of Texas at Austin, March 5–6.

Korpi, Walter. 1983. *The Democratic Class Struggle.* London: Routledge and Kegan Paul.

Kowarick, Lúcio. 2003. "O Conselho de Desenvolvimento Econômico e Social: Um Processo em Construção." www.cdes.gov.br.

Krug, Etienne G., Linda L. Dahlberg, James A. Mercy, Anthony B. Zwi, and Rafael Lozano, eds. 2002. *World Report on Violence and Health.* Geneva: World Health Organization.

Kurtz, Marcus L. 2004. *Free Market Democracy and the Chilean and Mexican Countryside.* New York: Cambridge University Press.

Laclau, Ernesto. 2005. *La razón populista.* Buenos Aires: Fondo de Cultura Económica.

"Lagos Pledges Major Reforms." 2002. *Healthcare Newsletter for Latin America* 5 (May): 1.

Lambert, Peter. 2008. "A New Era for Paraguay." *NACLA Report on the Americas* 41, no. 4 (July–August): 5–8.

Lander, Edgardo. 2006. "Creación del partido único: ¿Aborto del debate sobre el Socialismo del Siglo XXI?" December. Caracas: Aporrea. Received by Internet, www.aporrea.org/ideologia/a28743.html.

———. 2007. "El Estado y las tensiones de la participación popular en Venezuela." *OSAL* 8, no. 22 (September): 65–86.

Lander, Luis E., ed. 2003. *Poder y petróleo en Venezuela.* Caracas: FACES-PDVSA.

"La nueva renta de la vejez rige y moviliza a Evo." 2008. *La Razón,* February 1, www.larazon.com/versiones/20080201_006169/nota_248_542302.htm.

Lanzaro, Jorge. 1986. *Sindicatos y sistema político: Relaciones corporativas en el Uruguay, 1940–1985.* Montevideo: Fundación de Cultura Universitaria.

———. 2000a. "El Frente Amplio: Un partido de coalición." *Revista Uruguaya de Ciencia Política* 12: 35–67.

———. 2000b. *La "segunda" transición en el Uruguay: Gobierno y partidos en un tiempo de reformas.* Montevideo: Fundación de Cultura Universitaria.

———. 2004a. "La izquierda se acerca a los uruguayos y los uruguayos se acercan a la izquierda: Claves de desarrollo del Frente Amplio." In Lanzaro 2004b.

———, ed. 2004b. *La izquierda uruguaya entre la oposición y el gobierno.* Montevideo: Editorial Fin de Siglo.

———. 2004c. *La reforma educativa en el Uruguay (1995–2000): Virtudes y problemas de una iniciativa heterodoxa.* CEPAL Serie Políticas Sociales 91. Santiago: CEPAL.

———. 2006. "La 'tercera ola' de las izquierdas latinoamericanas: Entre el populismo y la social democracia." In *Las izquierdas latinoamericanas y el gobierno: Experiencias y desafíos,* edited by Pedro Pérez Herrero. Madrid: Editorial Pablo Iglesias.

———. 2007. "Uruguayan Parties: Transition within Transition." In *When Political Parties Prosper,* edited by Kay Lawson and Peter Merkl. Boulder: Rienner.

———. 2008. "La social democracia criolla." *Revista Nueva Sociedad* (Buenos Aires) 217: 10–22.

———. 2010. "Persistence and Change in an Old Party Democracy." In *Political Parties and Democracy,* edited by Kay Lawson and Jorge Lanzaro. Westport, CT: Praeger.

Lapper, Richard. 2002. "Back to Revolution." *Financial Times,* February 21.

Laserna, Roberto. 2006. *La Trampa del Rentismo.* La Paz: Fundación Milenio.

———. 2007. "El Caudillismo Fragmentado." *Nueva Sociedad* 209 (May–June): 100–117.

Latinobarómetro. 2004. *Informe Latinobarómetro 2004: Una década de mediciones.* Santiago: Latinobarómetro.

———. 2005. *Informe Latinobarómetro 2005: Diez Años de Opinión Pública.* Santiago: Latinobarómetro.

———. 2006. *Informe Latinobarómetro 2006.* Santiago: Latinobarómetro.

———. 2007. *Informe Latinobarómetro 2007.* Santiago: Latinobarómetro.

———. 2009. *Informe Latinobarómetro 2009.* Santiago: Latinobarómetro.

Lavaud, Jean-Pierre. 2007. "Bolivia: ¿Un Futuro Político Hipotecado?" *Nueva Sociedad* 209 (May): 142–59.

Lawson, Chappell, and James McCann. 2005. "Television Coverage, Media Effects, and Mexico's 2000 Elections." *British Journal of Political Science* 35, no. 1: 1–30.

Leal, Luciana Nunes. 2008. "Mesmo sem prestígio, 'Conselhão' terá orçamento 73% maior em 2008." *O Estado de São Paulo,* January 21, 1, A4, www.estado.com.br/editorias/2008/01/21/pol-1.93.11.20080121.1.1.xml.

Leiras, Marcelo. 2007. "Latin America's Electoral Turn: Left, Right, and Wrong." *Constellations* 14, no. 3: 398–408.

Leite, Flávia Lana. 2006. "Reviewing Lula's Government: Social Policy and Spending in Brazil." Professional report, Master of Public Affairs, University of Texas.

Letelier, Lorena, and Ana Maria Morales. 2002. "Nuevos detalles de reforma a la salud enfurecen a gremios." *La Tercera,* June 26, 8–9.

Levitsky, Steven. 2003. *Transforming Labor-Based Parties in Latin America: Argentine Peronism in Comparative Perspective.* New York: Cambridge University Press.

Levitsky, Steven, and Maxwell A. Cameron. 2003. "Democracy without Parties? Political Parties and Regime Change in Fujimori's Peru." *Latin American Politics and Society* 45, no. 3: 1–33.

Levy Yeyati, Eduardo, and Diego Valenzuela. 2007. *La Resurrección: Historia de la Poscrisis Argentina.* Buenos Aires: Sudamericana.

Lewis-Beck, Michael S., and Mary Stegmaier. 2000. "Economic Determinants of Electoral Outcomes." *Annual Review of Political Science* 3:183–219.

Lindert, Kathy. 2006. "Brazil: Bolsa Família—Scaling-up Cash Transfers to the Poor." In *MfDR: Principles in Action: Sourcebook on Emerging Good Practices.* 1st ed. Washington, DC: OECD/World Bank, www.mfdr.org/Sourcebook/3–1stEdition.html.

López Maya, Margarita. 1997. "The Rise of the Causa R in Venezuela." In *The New Politics of Inequality in Latin America: Rethinking Participation and Representation,* edited by Douglas A. Chalmers, Carlos M. Vilas, Katherine Hite, Scott B. Martin, Kerianne Piester, and Monique Segarra. Oxford: Oxford University Press.

———. 2003. "Hugo Chávez Frías: His Movement and His Presidency." In Ellner and Hellinger 2003.

———. 2005. *Del viernes negro al referendo revocatorio.* Caracas: Grupo Alfa.

———. 2006. "Venezuela 2001–2004: Polarización, confrontación y violencia." In *América Latina: Historia, realidades y desafíos,* edited by Norma de los Ríos Méndez and Irene Sánchez Ramos. México: UNAM.

———. 2008. "Caracas: The State, Popular Participation, and How to Make Things Work." Paper presented at the conference "The Popular Sectors and the State in Chávez's Venezuela," Yale University, New Haven, CT, March 6–7.

López Maya, Margarita, and Luis E. Lander. 2001. "Elecciones de 2000 en Venezuela: Implan-

tación de una nueva hegemonía." *Anuario Social y Político de América Latina y el Caribe* 4:9–17.

———. 2007. "Democracia participativa en Venezuela: Concepción y realizaciones." Caracas. unpublished. In López Maya's possession.

———. 2009. "El socialismo rentista de Venezuela ante la caída de los precios internacionales." *Cuadernos del Cendes* 71:67–88.

López Maya, Margarita, David Smilde, and Keta Stephany. 2002. *Protesta y cultura en Venezuela: Los marcos de acción colectiva en 1999.* Buenos Aires: Clacso.

Lora, Eduardo. 2001. *Las reformas estructurales en América Latina: Qué se ha reformado y cómo medirlo.* Documento de Trabajo 462. Inter-American Development Bank, Washington, DC.

Lora, Eduardo, and Mauricio Olivera. 2005. "The Electoral Consequences of the Washington Consensus." *Economía* 5:1–61.

"Los siete ejes del plan." 2007. *Diario el Observador,* December 13, online version, www.observa.com.uy/.

Lucero, Jose Antonio. 2008. *Struggles of Voice: The Politics of Indigenous Representation in the Andes.* Pittsburgh: University of Pittsburgh Press.

Luna, Juan Pablo. 2004. "Shaky Foundations? The Transformation of Party-Society Linkages in Post-Transitional Chile and Its Implications for the Quality of Representation." Paper presented at the Annual Meeting of the Midwest Political Science Association, Chicago, April 15–18.

———. 2006. "Chile and Uruguay: the Evolution of Programmatic and Non Programmatic Party-Voter Linkages in Two Institutionalized Party Systems." Ph.D. diss., University of North Carolina at Chapel Hill.

Luna, Juan Pablo, and Fernando Filgueira. 2009. "The Left Turns as Multiple Paradigmatic Crises." *Third World Quarterly* 30, no. 2: 371–95.

Luna, Juan Pablo, and Elizabeth Zechmeister. 2005. "Representation in Latin America: A Study of Elite-Mass Congruence in 9 Countries." *Comparative Political Studies* 38, no. 4: 388–416.

Luoma, Aaron, and Gretchen Gordon. 2006. "Turning Gas into Development in Bolivia." *Dollars and Sense* (November–December), www.dollarsandsense.org/archives/2006/1106luomagordon.html.

Lynch, Nicolás. 2007. "What the 'Left' Means in Latin America Now." *Constellations* 14, no. 3: 373–83.

———. 2009. *El argumento democrático sobre América Latina: La excepcionalidad peruana en perspectiva comparada.* Lima: Universidad Nacional Mayor de San Marcos, Fondo Editorial de la Facultad de Ciencias Sociales.

Macaulay, Fiona. 2007. "Knowledge Production, Framing, and Criminal Justice Reform in Latin America." *Journal in Latin American Studies* 39, no. 3: 627–51.

Machado, Jesús. 2008. "Estudio de los Consejos Comunales en Venezuela." Fundación Centro Gumilla, Caracas. May.

Madrid, Raúl L. 2003. *Retiring the State: The Politics of Pension Privatization in Latin America and Beyond.* Stanford, CA: Stanford University Press.

———. 2005. "Ethnic Cleavages and Electoral Volatility in Latin America." *Comparative Politics* 38, no. 1 (October): 1–20.

———. 2008. "The Rise of Ethnopopulism in Latin America." *World Politics* 60, no. 3 (April): 475–508.

———. 2010. "The Origins of the Two Lefts in Latin America." *Political Science Quarterly* 125, no. 4 (Winter): 1–23.

Madrid, Raúl, Wendy Hunter, and Kurt Weyland. 2010. "The Policies and Performance of the Contestatory and Moderate Left." In Weyland, Madrid, and Hunter 2010.

Mähler, Annegret. 2007. "Bolivianische Erdgaspolitik im Wandel." *Lateinamerika Analysen* 16:125–47.

Maingon, Thais. 2006. "Caracterización de las Estrategias de la Lucha contra la Pobreza: Venezuela 1999–2005." *Fermentum* 16, no. 45 (January): 57–99.

Mainwaring, Scott. 2006. "The Crisis of Representation in the Andes." *Journal of Democracy* 17 (July): 13–27.

Mainwaring, Scott, and Timothy R. Scully, eds. 1995. *Building Democratic Institutions: Party Systems in Latin America.* Stanford, CA: Stanford University Press.

Mainwaring, Scott, Timothy Scully, and Jorge Vargas Cullell. 2010. "Measuring Success in Democratic Governance." In *Democratic Governance in Latin America,* edited by Mainwaring and Scully. Stanford, CA: Stanford University Press.

Mamalakis, Markos. 1978. "The New International Economic Order: Centerpiece Venezuela." *Journal of Interamerican Studies and World Affairs* 20, no. 3 (August): 265–95.

Manz, Thomas, and Moira Zuazo, eds. 1998. *Partidos políticos y representación en América Latina.* Caracas: Nueva Sociedad.

Maravall, José María. 1992. "What Is Left? Social Democratic Policies in Southern Europe." Fundación Juan March Working Paper 36, Madrid.

Marcano, Cristina, and Alberto Barrera Tyszka. 2004. *Chávez sin uniforme.* Caracas: Editorial Debate.

Marcel, Mario. 1999. "Effectiveness of the State and Development Lessons from the Chilean Experience." In *Chile,* edited by Guillermo Perry and Danny Leipziger. Washington, DC: World Bank.

Marinakis, Andrés, and Juan Jacobo Velasco. 2006. "Chile: Las lecciones de la aplicación reciente del salario mínimo." In *Para qué sirve el salario mínimo?* edited by Andrés Marinakis and Juan Jacobo Velasco. Santiago: ILO.

Marshall, Monty G., and Keith Jaggers. 2010. *Polity IV Project: Political Regime Characteristics and Transitions, 1800–2002.* Center for Systemic Peace and Colorado State University, University of Maryland, www.systemicpeace.org/polity/polity4.htm.

Marshall, T. H. 1963. *Class, Citizenship, and Social Development.* Garden City, NY: Doubleday.

Martínez, Javier, and Alvaro Díaz. 1996. *Chile: The Great Transformation.* Geneva: United Nations Research Institute for Social Development.

Martínez, Juan, and Javier Santiso. 2003. "Financial Markets and Politics." *International Political Science Review* 24, no. 3 (July): 363–95.

Mathis, William. 2009. "U.S.-Bolivian Relations: Halting an Avalanche." Council on Hemispheric Affairs (COHA), Washington, DC, www.coha.org/2009/06/us-bolivian-relations-halting-an-avalanche/.

Mattiace, Shannon. 2003. *To See with Two Eyes: Peasant and Indian in Chiapas, Mexico.* Albuquerque: University of New Mexico Press.

Mayorga, René Antonio. 2007. "Conceptual and Historical Perspectives." In Arnson and Perales 2007.

McGuire, James. 1997. *Peronism without Perón: Unions, Parties, and Democracy in Argentina*. Stanford, CA: Stanford University Press.

———. 2010. *Wealth, Health, and Democracy in East Asia and Latin America.* Cambridge: Cambridge University Press.

Medina, Pablo. 1999. *Rebeliones.* Caracas: Published by the author.

Meneguello, Rachel. 1989. *PT: A Formação de um Partido, 1979–1982.* São Paulo: Paz e Terra.

Meneses, Francisco, and José Fuentes. 1998. "Estado y Proceso Económico." In *Chile en los Noventa,* edited by Cristián Toloza and Eugenio Lahera. Santiago: Presidencia.

Merkel, Wolfgang. 1995. *¿Final de la socialdemocracia?* Valencia, Spain: Edicions Alfons el Magnànim.

Michels, Roberto. 1911. *Political Parties.* Reprint, New York: Free Press, 1962.

Midaglia, Carmen, and Florencia Antía. 2007. "La izquierda en el gobierno: ¿Cambio o continuidad de las políticas de bienestar social." *Revista Uruguaya de Ciencia Política* 16:131–58.

MIDEPLAN. See Ministerio de Planificación.

Ministério da Saúde, Departamento da Atenção Básica (MS, DAB). 2007. *Atenção Básica a Saúde da Família.* Brasília: MS, DAB.

Ministério das Cidades. 2004. "Participação e Controle Social." *Cadernos MCidades* 2 (November).

Ministerio de Desarrollo Social. 2004. *Plan Nacional de Desarrollo Local y Economía Social Manos a la Obra.* Buenos Aires: Ministerio de Desarrollo Social.

———. 2005. *Plan Nacional de Desarrollo Local y Economía Social Manos a la Obra.* Buenos Aires: Ministerio de Desarrollo Social.

Ministério del Poder Popular para la Participación y Protección Social (MPP-PPS). 2007a. "8 millones de venezolanos forman parte de los Consejos Comunales." Noticias, September 14, www.consejoscomunales.gob.ve/index.php?option=com_content&task=view&id=116&Itemid=73.

———. 2007b. "100 Mil Consejos Comunales Constituidos es la Meta para el 2008." Noticias, November 13, www.mps.gob.ve/index.php?option=com_content&task=view&id=353&Itemid=9.

Ministerio de Planificación (MIDEPLAN). 2004. "Población chile Solidario y Género." First draft of government report, www.chilesolidario.gov.cl/admin/documentos/admin/descargas/INFORME.pdf.

———. 2007a. *CASEN 2006: Educación.* Santiago: MIDEPLAN.

———. 2007b. *La Situación de Pobreza en Chile, 2006.* Santiago: MIDEPLAN.

———. 2010. "Que Ofrece? Chile Crece Contigo." www.crececontigo.cl/sobre-chile-crece-contigo/que-ofrece/.

Ministerio de Trabajo, Empleo y Seguridad Social (MTySS). 2003. *Libro blanco de la previsión social.* Buenos Aires: Ministerio de Trabajo.

Ministério do Desenvolvimento Social. 2006. *Programa Bolsa Família, Guia do Gestor.* Brasília: Ministério do Desenvolvimento Social.

Mizala, Alejandra, and Pilar Romaguera. 2000. "Quality of Social Services: The Case of Education in Chile." World Bank Working Paper. World Bank, Washington, DC.

Mockus, Antanas, and Hugo Acero Velásquez. 2004. "Criminalidad y violencia en América Latina: Logros esperanzadores en Bogotá." In *El informe de Vallodolid: El derecho a la seguridad,* edited by Rosario del Caz, Mario Rodríguez, and Manuel Saravia. Valladolid, Spain: Escuela Técnica Superior de Arquitectura de Valladolid.

Moller, Stephanie, David Bradley, Evelyne Huber, François Nielsen, and John D. Stephens. 2003. "Determinants of Relative Poverty in Advanced Capitalist Democracies." *American Sociological Review* 68 (February): 22–51.

Mommer, Bernard. 2003. "Subversive Oil." In Ellner and Hellinger 2003.

Montero, Alfred P. 2009. "A Reversal of Political Fortune: The Transitional Dynamics of Conservative Rule in Brazil." Paper presented at the 2009 meeting of the Latin American Studies Association, Rio de Janeiro, June 11–14.

Morales, Eduviges, Edith Cuñaro, and Nila Leal González. 2006. "Los Consejos Locales en el diseño constitucional de la democracia participativa en Venezuela." *Provincia: Revista Venezolana de Estudios Territoriales,* special issue: 35–51.

"Morales anuncia la profundización del modelo socialista." 2008. *La Razón,* online edition, www.la-razon.com/.

Moreira, Constanza. 2007. "Balance del medio ciclo de gobierno de izquierda en Uruguay (2005–2007)." *Análise de Conjuntura* 7 (July). Observatório Político Sul-Americano Instituto Universitário de Pesquisas do Rio de Janeiro IUPERJ/UCAM.

Mosley, Layna. 2003. *Global Capital and National Governments.* New York: Cambridge University Press.

Moulián, Tomás. 1983. *Democracia y Socialismo en Chile.* Santiago: FLACSO.

MPP-PPS. See Ministério del Poder Popular para la Participación y Protección Social.

MS, DAB. See Ministério da Saúde, Departamento da Atenção Básica.

MTySS. See Ministerio de Trabajo, Empleo y Seguridad Social.

Müller, Katharina. 2009. "Contested Universalism: From Bonosol to Renta Dignidad in Bolivia." *International Journal of Social Welfare* 18, no. 2: 163–72.

Mundó, Mabel. 2009. "Las misiones educativas: ¿Política pública para la inclusión o estrategia para el clientelismo político?" *Cuadernos del CENDES* (Centro de Estudios del Desarrollo) 26, no. 71 (May–August): 27–65.

Muñoz, Oscar, ed. 1990. *Transición a la democracia.* Santiago: CIEPLAN.

Murillo, María Victoria. 2001. *Labor Unions, Partisan Coalitions, and Market Reforms in Latin America.* New York: Cambridge University Press.

———. 2009. *Voice and Light: Political Competition, Partisanship, and Policymaking in Latin America.* New York: Cambridge University Press.

Murillo, María Victoria, and Cecilia Martínez-Gallardo. 2007. "Political Competition and Policy Adoption: Market Reforms in Latin American Public Utilities." *American Journal of Political Science* 51, no. 1: 120–39.

Murillo, María Victoria, Virginia Oliveros, and Milan Vaishnav. 2010. "Electoral Revolution or Democratic Alternation?" *Latin American Research Review* 45, no. 3.

Nam, Illan. 2009. "Divergent Trajectories: Healthcare Insurance Reforms in South Korea and Chile." Ph.D. diss., Princeton University.

National Association of Development-Oriented NGOs (ANONG). 2007. "Memoria Anual, 2006–2007." Asamblea Nacional, May 15. National Association of Development-Oriented NGOs, www.anong.org.uy/docs/documentos%20ANONG/memoria2006–2007.pdf.

Nava, Haydée. 2007. "Movimiento popular y profundización de la democracia en Venezuela: El caso de las organizaciones que participaron en la defensa de la industria petrolera nacional durante el paro-sabotaje de diciembre de 2002." Ph.D. diss., Centro de Estudios del Desarrollo (CENDES).

Novaro, Marcos. 1994. *Pilotos de tormentas: Crisis de representación y personalización en Argentina (1989–1993).* Buenos Aires: Ediciones Letra Buena S.A.

Nylen, William. 2003. *Participatory Democracy versus Elitist Democracy: Lessons from Brazil.* New York: Palgrave Macmillan.

O'Donnell, Guillermo. 1973. *Modernization and Bureaucratic-Authoritarianism: Studies in South American Politics.* Berkeley, CA: Institute of International Studies.

———. 1993. "On the State, Democratization, and Some Conceptual Problems: A Latin American View with Glances at Some Postcommunist Countries." *World Development* 21, no.8 (August): 1355–69.

———. 1994. "Delegative Democracy." *Journal of Democracy* 5 (January 1994): 55–69.

———. 2001. "Democracy, Law, and Comparative Politics." *Studies in Comparative and International Development* 36, no.1 (Spring): 7–36.

OEI. See Organización de Estados Iberoamericanos.

Oficina de Planeamiento y Presupuesto (OPP). 2007. "Informe y Memoria Anual de la gestión del Gobierno Nacional correspondiente al ejercicio 2007." www.presidencia.gub.uy/_web/MEM_2007/OPP.pdf.

Ojo Electoral. 2009. *Ojo Electoral le pide al Presidente Chávez que devuelva la LOPE a la Asamblea Nacional.* Caracas, Nota de prensa, August 11, www.ojoelectoral.org.

Olavarría, Margot. 2003. "Protected Neoliberalism: Perverse Institutionalization and the Crisis of Representation in Post-Dictatorship Chile." *Latin American Perspectives* 30, no. 6: 10–38.

Olavarría Gambi, Mauricio. 2005. *Pobreza, Crecimiento Económico y Políticas Sociales.* Santiago: Editorial Universitaria.

Olivares, René. 2010. "Usuarios de Fonasa crecieron 10 veces más que los de Isapres en últimos cuatro años." *El Mercurio,* April 12.

Oliveira, Fabricio, and Paulo Nakatani. 2007. "The Brazilian Economy under Lula." *Monthly Review* 58, no. 9 (February): 39–49.

Ondetti, Gabriel. 2006. "Lula and Land Reform: How Much Progress?" Paper presented at the 2006 Congress of the Latin American Studies Association, March 15–18, San Juan, Puerto Rico.

———. 2008. *Land, Protest, and Politics: The Landless Movement and the Struggle for Agrarian Reform in Brazil.* University Park: Pennsylvania State University Press.

Ondetti, Gabriel, and Sybil Rhodes. 2007. "Courting the Third World: Lula's South–South Trade Diplomacy." Paper presented at the 2007 Congress of the Latin American Studies Association, Montreal, September 5–8.

OPP. See Oficina de Planeamiento y Presupuesto.

Organización de Estados Iberoamericanos (OEI). 2008. "Bono 'Juancito Pinto' ya pagó a más de un millón de niños." www.oei.es/noticias/spip.php?article1638.

Ospina Peralta, Pablo. 2009. *El proyecto de la revolución ciudadana: Líneas maestras.* Quito: Comité Ecuménico de Proyectos.

Ostiguy, Pierre. Forthcoming. *Party Systems and Political Appeals: Populism and Anti-Populism in Argentina.* Notre Dame, IN: University of Notre Dame Press.

Oxhorn, Philip. 1995. *Organizing Civil Society: The Popular Sectors and the Struggle for Democracy in Chile.* University Park: Pennsylvania State University Press.

Pachano, Simón. 2007. *La trama de Penélope: Procesos politicos e instituciones en el Ecuador.* Quito, Ecuador: Flacso.

Paiva, Paulo. 2006. "Lula's Political Economy: Changes and Challenges." *Annals of the American Academy of Political and Social Science* 606 (July): 196–215.

Pallares, Amalia. 2002. *From Peasant Struggles to Indian Resistance: The Ecuadorian Andes in the Late Twentieth Century.* Norman: University of Oklahoma Press.

———. 2006. "Mass Mobilization and Presidential Removal in Ecuador: Entre la ira y la esperanza." *LASA Forum* 37, no. 1 (Winter): 22–25.

Palmer, David Scott, ed. 1992. *Shining Path of Peru.* New York: St. Martin's Press.

Panebianco, Angelo. 1982. *Modelli di partito: Organizzazione e potere nei partiti politici.* Bologna: Il Mulino.

———. 1988. *Political Parties: Organization and Power.* Cambridge: Cambridge University Press.

Panizza, Francisco E. 2005a. "The Social Democratization of the Latin American Left." *Revista Europea de Estudios Latinoamericanos y del Caribe* 79 (October): 95–103.

———. 2005b. "Unarmed Utopia Revisited: The Resurgence of Left-of-Center Politics in Latin America." *Political Studies* 53: 716–34.

Panizza, Ugo, and Monica Yañez. 2005. "Why Are Latin Americans So Unhappy about Reforms?" *Journal of Applied Economics* 8, no. 1 (May): 1–29.

Parker, Dick. 2006. "Chávez and the Search for an Alternative to Neoliberalism." In *Venezuela,* edited by Steve Ellner and Miguel Tinker Salas. Lanham, MD: Rowman and Littlefield.

———. 2007. "El desarrollo endógeno: ¿Camino al socialismo del siglo XXI?" *Revista Venezolana de Economía y Ciencias Sociales* 2:59–85.

Penfold-Becerra, Michael. 2007. "Clientelism and Social Funds: Evidence from Chávez's Misiones." *Latin American Politics and Society* 49, no. 4 (Winter): 63–84.

Pérez, Verónica. 2006. *2006: A un año de gobierno progresista. No son suficientes: Mujeres en altos cargos de confianza política; mecanismos de participación social.* Montevideo: CNS Mujeres.

Pesquisa e Comunicação (CEPAC). 2002. *Análise da Pesquisa IBOPE-CNI—Junho 2002.* São Paulo: CEPAC.

Petkoff, Teodoro. 2005a. *Dos Izquierdas.* Caracas: Alfadil.

———. 2005b. "Las Dos Izquierdas." *Nueva Sociedad* 197:114–28.

Petras, James, and Henry Veltmeyer. 2009. *What's Left in Latin America? Regime Change in New Times.* Surrey, UK: Ashgate.

Piñeiro, Rafael, and Jaime Yaffé. 2004. "El Frente Amplio por dentro: Las fracciones frente amplistas 1971–1999." In Lanzaro 2004b.

Plenario Intersindical de Trabajadores—Convención Nacional de Trabajadores (PIT-CNT). 2007. "Informe de Coyuntura—noviembre 2007." Instituto Cuesta-Duarte, Montevideo.

PNUD. See Programa de las Naciones Unidas para el Desarrollo.

Polanyi, Karl. 1944. *The Great Transformation.* New York: Farrar and Rinehart.

Polis. 2004. "Panel: A Participação no Governo Lula." The "Meanings of Democracy and

Participation Seminar," Instituto Polis, São Paulo, July 1–3, www.polis.org.br/seminario/participacao_no_governo.htm.

Portillo, Jose, Marisa Buglioli, and Luis Lazarov. 2001. "Servicios de Salud en el Uruguay." www.medicinaysociedad.org.ar/.../publicaciones2001/PORTILLOServiciosSaludUruguayRev1de2001.doc.

Postero, Nancy, and Leon Zamosc, eds. 2004. *The Struggle for Indigenous Rights in Latin America.* Brighton, UK: Sussex Academic Press.

Pribble, Jennifer. 2008. "Protecting the Poor: Welfare Politics in Latin America's Free Market Era." Ph.D. diss., University of North Carolina at Chapel Hill.

Programa de las Naciones Unidas para el Desarrollo (PNUD). 2002. *Informe de Desarrollo Humano en Bolivia 2002.* La Paz: PNUD.

———. 2007. *El Estado del Estado en Bolivia.* 2nd ed. La Paz: PNUD.

"Programa social incluye trabajo y subsidios." 2007. *Diario el Observador,* December 6, online version, www.observa.com.uy/.

Program of Human Rights Education-Action (PROVEA). 1999–2002. *Situación de los derechos humanos en Venezuela. Informe anual octubre/septiembre.* Caracas: Programa Venezolano de Educación-Acción en Derechos Humanos.

———. 2009. *Situación de los derechos humanos en Venezuela. Informe anual octubre/septiembre.* Caracas: Programa Venezolano de Educación-Acción en Derechos Humanos.

Przeworski, Adam. 2001. "How Many Ways Can Be Third?" In *Social Democracy in Neoliberal Times: The Left and Economic Policy since 1980,* edited by Andrew Glyn. New York: Oxford University Press.

Przeworski, Adam, and John Sprague. 1986. *Paper Stones: A History of Electoral Socialism.* Chicago: University of Chicago Press.

Puhle, Hans-Jürgen. 2001. "Mobilizers and Late Modernizers: Socialist Parties in the New Southern Europe." In *Parties, Politics, and Democracy in the New Southern Europe,* edited by Nikiforos Diamandouros and Richard Gunther. Baltimore: Johns Hopkins University Press.

Ramírez Gallegos, Franklin. 2005. *La insurreción de abril no fue solo una fiesta.* Quito: Ediciones Abya-Yala.

———. 2006. "Mucho más que dos izquierdas." *Nueva Sociedad* 205 (September–October): 31–44.

Rangel Guerrero, Christi. 2005. "El debilitamiento de las finanzas municipales en Venezuela y sus consecuencias." *Ciencias de Gobierno* 9, no. 18 (December): 13–38.

Remmer, Karen L. 1980. "Political Demobilization in Chile, 1973–1978," *Comparative Politics* 12 (April): 275–301.

———. 1998. "The Politics of Neoliberal Economic Reform in South America," *Studies in Comparative International Development* 33 (Summer): 3–29.

———. 2002. "The Politics of Economic Policy and Performance in Latin America," *Journal of Public Policy* 22, no. 1: 29–59.

Ricci, Rudá. 2007a. "Conjuntura Nacional e o Papel do FBO." Fórum Brasil do Orçamento (Brazil Budget Forum), July, www.forumfbo.org.br/cgi/cgilua.exe/sys/start.htm?sid=56.

———. 2007b. "Plano Plurianual: Sem participação no governo Lula." Agencia IBASE, 1era Página, July 26, www.ibase.org.br/modules.php?name=Conteudo&pid=1913.

Richardson, Neil. 2009. "Export Oriented Populism: Commodities and Coalitions in Argentina." *Studies in Comparative International Development* 44, no. 3 (Fall): 228–55.

Roberts, Kenneth. 1995. "Neoliberalism and the Transformation of Populism in Latin America: The Peruvian Case." *World Politics* 48, no. 1 (October): 82–116.

———. 1998. *Deepening Democracy? The Modern Left and Social Movements in Chile and Peru.* Stanford, CA: Stanford University Press.

———. 2002. "Party-Society Linkages and Democratic Representation in Latin America." *Canadian Journal of Latin American and Caribbean Studies* 27:9–34.

———. 2006a. "Populism, Political Conflict, and Grass-Roots Organization in Latin America." *Comparative Politics* 38, no. 2 (January): 127–48.

———. 2006b. "Populist Mobilization, Socio-Political Conflict, and Grass-Roots Organization in Latin America." *Comparative Politics* 38:5–40.

———. 2007. "Latin America's Populist Revival" *SAIS Review* 27, no. 1 (Winter–Spring): 3–15.

———. 2008a. "Is Social Democracy Possible in Latin America?" *Nueva Sociedad* 217 (September–October): 46–59.

———. 2008b. "The Mobilization of Opposition to Economic Liberalization." *Annual Review of Political Science* 11:327–49.

———. Forthcoming. *Changing Course: Parties, Populism, and Political Representation in Latin America's Neoliberal Era.* Cambridge: Cambridge University Press.

Rodríguez, Angela. 2003. "Las Political Publicas Contra la Extrema Pobreza: De la Ficha CAS al sistema Chile Solidario." Undergraduate thesis, University of Chile.

Rodríguez, Francisco. 2008. "An Empty Revolution: The Unfulfilled Promises of Hugo Chávez." *Foreign Affairs* 87, no. 2 (March–April): 49–62.

Rodríguez, Gumersindo. 1988. *El primer gobierno de CAP.* Caracas: Editorial El Ateneo.

Rodríguez-Gavarito, César, Patrick Barrett, and Daniel Chávez. 2008. "Utopia Reborn? Introduction to the Study of the New Latin American Left." In Barrett, Chávez, and Rodríguez-Gavarito 2008.

Romero Ballivián, Salvador. 2002. "La Elección Presidencial 2002: Una Visión de Conjunto." *Opiniones y Análisis* 57 (September): 157–223.

Rosa, Vera. 2005. "Movimentos sociais tentam blindar Olívio contra demissão." *O Estado de S. Paulo,* July 1.

Rovira Kaltwasser, Cristóbal. 2010. "Rechtsruck in Chile: Beginn einer neuen politischen Ära." *GIGA Focus* (German Institute of Global and Area Studies) 2 (February): 1–8.

Ruediger, Marco Aurélio. 2004. "The Social Construction of Government Policies and the Role of Elites in the Definition and Effectiveness of Public Agendas." Paper presented at the conference of the International Public Management Network, Rio de Janeiro, November 17–19, www.ebape.fgv.br/novidades/pdf/Ruediger.pdf.

Ruiz Rodríguez, Leticia M. 2006. "El sistema de partidos chileno: Hacia una desestructuración ideológica?" In *Chile: Política y modernización democrática,* edited by Manuel Alcántara Sáez and Leticia M. Ruiz Rodríguez. Barcelona: Ediciones Bellaterra.

Ruz, Miguel Angel, and Julieta Palma. 2004. *Análisis del Proceso de Elaboración del Sistema Chile Solidario.* Santiago: University of Chile.

Sachs, Jeffrey D. 1989. "Social Conflict and Populist Policies in Latin America." NBER Working Paper 2987, National Bureau of Economic Research, Cambridge, MA.

Samuels, David. 2004. "From Socialism to Social Democracy: Party Organization and the Transformation of the Workers' Party in Brazil." *Comparative Political Studies* 37, no. 9: 999–1024.

Sanchez-Cuenca, Ignacio. 2008. "How Can Governments Be Accountable If Voters Vote Ideologically?" In *Controlling Governments. Voters, Institutions, and Accountability,* edited by J. M. Maravall and I. Sanchez-Cuenca. New York: Cambridge University Press.

Santiso, Javier. 2006. *Latin America's Political Economy of the Possible.* Cambridge, MA: MIT Press.

Santoni, Rossana. 2007. "Jorge Pavez lanza duras críticas a la ley de subvención preferencial." *Diario El Mercurio,* December 17, 2007, online version, www.mercurio.cl/.

Scaglione, Matías. 2008. "Economic Policy and Performance in Chávez's Venezuela." *Lateinamerika Analysen* 19:55–94.

Schamis, Hector E. 2006. "Populism, Socialism, and Democratic Institutions." *Journal of Democracy* 17, no. 4 (October): 20–34.

Schmidt, Davi Luis. 2006. "O Movimento Social e o Governo Lula: Uso de Instrumentos Democráticos—avanços e desafios." Brasília, November, www.fbes.org.br/index.php?option=com_docman&task=doc_download&gid=440.

Schneider, Cathy Lisa. 1995. *Shantytown Protests in Pinochet's Chile.* Philadelphia: Temple University Press.

Scully, Timothy. 1996. "Chile: The Political Underpinnings of Economic Liberalization." In *Constructing Democratic Governance: South America in the 1990s,* edited by Jorge Domínguez and Abraham Lowenthal. Baltimore: Johns Hopkins University Press.

Seawright, Jason. 2009. "Political Participation and Representational Distortion: The Nexus between Associationalism and Partisan Politics." In Collier and Handlin 2009b.

Secretaría de Desarrollo Humano y Vivienda. 2005. *Memoria Anual Ejercicio 2005.* Buenos Aires: Ministerio de Infraestructura, Obras y Servicios Públicos.

Secretaria de Planificacion y Desarrollo (SENPLADES). 2010. "Informe Resultado Reduccion de la pobreza." SENPLADES, Quito, Ecuador.

Seligson, Mitchell. 2006. *Democracy Audit: Ecuador 2006.* Quito, Ecuador: Cedatos Editions.

———. 2007. "The Rise of Populism and the Left in Latin America." *Journal of Democracy* 18, no. 3: 81–95.

Seligson, Mitchell, Abby B. Cordova, Juan Carlos Donoso, Daniel Moreno Morales, Diana Orcés, and Vivian Schwarz Blum. 2006. *Democracy Audit: Bolivia 2006 Report.* Nashville: Latin American Public Opinion Project, Vanderbilt University.

Seligson, Mitchell A., Daniel Moreno Morales, and Vivian Schwarz Blum. 2004. *Democracy Audit: Bolivia 2004 Report.* Nashville: Latin American Public Opinion Project, Vanderbilt University.

SENPLADES. See Secretaria de Planificacion y Desarrollo.

Serra, José, and Regina Faria. 2004. "Reforma de la Salud en Brasil." In *Equidad y Protección Social,* edited by Clarisa Hardy. Santiago: LOM.

Serrano, Claudia, and Dagmar Raczynski. 2004. "Chile Solidario." In *Equidad y Proteccion Social,* edited by Clarissa Hardy. Santiago: Ediciones Chile21.

Shugart, Matthew Soberg, and Stephan Haggard. 2001. "Institutions and Public Policy in Presidential Systems." In *Presidents, Parliaments, and Policy,* edited by Stephan Haggard and Mathew McCubbins. New York: Cambridge University Press.

Siavelis, Peter, and Arturo Valenzuela. 1996. "Electoral Engineering and Democratic Stability: The Legacy of Authoritarian Rule in Chile." In *Institutional Design in New Democracies: Eastern Europe and Latin America,* edited by Arend Lijphart and Carlos H. Waisman. Boulder: Westview Press.

Sieder Rachel, ed., 2002. *Multiculturalism in Latin America: Indigenous Rights, Diversity, and Democracy.* New York: Palgrave Macmillan.

Silva, Eduardo. 1996. *The State and Capital in Chile: Business Elites, Technocrats, and Market Economics.* Boulder: Westview Press.

———. 2002. "Capital and the Lagos Presidency: Business as Usual?" *Bulletin of Latin American Research* 21, no. 3: 339–57.

———. 2009. *Challenging Neoliberalism in Latin America.* Cambridge: Cambridge University Press.

Soares, Fábio Veras, Rafael Perez Ribas, and Rafael Guerreiro Osório. 2010. "Evaluating the Impact of Brazil's Bolsa Família: Cash Transfer Programs in Comparative Perspective." *Latin American Research Review* 45, no. 2: 173–90.

Soares, Fábio Veras, Sergei Soares, Marcelo Medeiros, and Rafael Guerreiro Osório. 2006. "Programas de transferência de renda no Brasil: Impactos sobre a desigualdade." IPEA Texto para Discussão No. 1228 (October), IPEA, Brasilia.

Solimano, Andrés, and Molly Pollack. 2005. "The Search for Stability and Growth under Persistent Inequality." Paper presented at the International Project on Pro-Poor Macroeconomics, University of Florence, February 24–25.

Stallings, Barbara. 1978. *Class Conflict and Economic Development in Chile, 1958–1973.* Stanford, CA: Stanford University Press.

———. 1992. "International Influence on Economic Policy: Debt, Stabilization, and Structural Reform." In *The Politics of Economic Adjustment,* edited by Stephan Haggard and Robert R. Kaufman. Princeton, NJ: Princeton University Press.

Stallings, Barbara, and Wilson Peres. 2000. *Growth, Employment, and Equity: The Impact of the Economic Reforms in Latin America and the Caribbean.* Washington, DC: Brookings Institution Press.

Stein, Stanley J., and Barbara Stein. 1970. *The Colonial Heritage of Latin America: Essays on Economic Dependence in Perspective.* New York: Oxford University Press.

Stephens, Evelyne Huber. 1983. "The Peruvian Military Government, Labor Mobilization, and the Political Strength of the Left." *Latin American Research Review* 43:57–93.

Stokes, Susan C. 2001. *Mandates and Democracy: Neoliberalism by Surprise in Latin America.* New York: Cambridge University Press.

———. 2009. "Globalization and the Left in Latin America." Department of Political Science, Yale University.

Sucre Heredia, Ricardo. 2007. "El socialismo y la cuestión militar." In *Ideas para debatir el socialismo del siglo XXI,* edited by Margarita López Maya. Caracas: Grupo Alfa.

Swank, Duane. 2002. *Global Capital, Political Institutions, and Policy Change in Developed Welfare States.* New York: Cambridge University Press.

Tanaka, Martín. 1998. *Los Espejismos de la Democracia: El colapso del sistema de partidos politicos.* Lima: Instituto de Estudios Peruanos.

Tanaka, Martín, and Sofía Vera. 2010. "La dinámica 'neodualista' de una democracia sin sistema

de partidos: La situación de la democracia en el Perú." *Revista de Ciencia Política* 30, no. 1: 87–114.

Tavolaro, Sergio B. F., and Lília G. M. Tavolaro. 2007. "Accounting for Lula's Second-Term Electoral Victory: 'Leftism' without a Leftist Project?" *Constellations* 14, no. 3: 426–44.

"Taxation Looms for Big Mining Firms." 2003. *Latin America Weekly Report,* October 14, 7.

Teichman, Judith A. 2001. *The Politics of Freeing Markets in Latin America: Chile, Argentina, and Mexico.* Chapel Hill: University of North Carolina Press.

Tejera, Rafael. 2008. "Incorporando la estructura tributaria a la teoría: Análisis de las reformas fiscales en Argentina, Chile y Uruguay (1990–2008)." *Revista Uruguaya de Ciencia Política* 17, no. 1: 111–35.

Tejero, Suhelis. 2009. "Aportes a las misiones cayeron 34,7% en el primer semestre." *El Universal,* November 20.

Telias, Amanda. 2007. "Una Caracterización Empírica de la Importancia y Relevancia del Salario Mínimo." Consejo Asesor Presidencial Trabajo y Equidad, Santiago.

Thorp, Rosemary, and Geoffrey Bertram. 1978. *Peru 1890–1977: Growth and Policy in an Open Economy.* New York: Columbia University Press.

Tironi, Eugenio, Felipe Agüero, and Eduardo Valenzuela. 2001. "Clivajes Políticos en Chile: Perfil Sociológico de los Electores de Lagos y Lavín." *Perspectivas* 5, no. 1: 73–87.

Tockman, Jason. 2009. "The Aftermath of Bagua: Lessons for Democracy in Peru." Andean Democracy Research Network, University of British Columbia, Vancouver, http://blogs.ubc.ca/andeandemocracy/2009/09/30/assault-on-democracy-in-the-peruvian-amazon/.

Torre, Juan Carlos. 2003. "Los Huérfanos de la Política de Partidos." *Desarrollo Económico* 40, no. 60: 619–52.

"Trabajadores rurales aumentaron un 136% su salario durante el gobierno del FA." 2007. *Diario La Republica,* November 19, 2007, www.larepublica.com.uy/. /.

Tsebelis, George. 2002. *Veto Players: How Political Institutions Work.* Princeton, NJ: Princeton University Press.

UNISOL. 2007. "UNISOL BRASIL no Conselho de Desenvolvimento." www.unisolbrasil.org.br/conteudos/noticias/detalha.wt?idn=1.

United Nations Development Program. 2007. *Informe estadístico de la violencia en Guatemala.* Guatemala: Terra Editores.

United Nations Office on Drugs and Crime (UNODC). 2007. *Crime and Development in Central America: Caught in the Crossfire.* New York: United Nations.

Urriola Urbina, Rafael. 2005. "Financiamiento y Equidad en Salud." *Revista de la CEPAL* 87 (December): 61–78.

Uruguayan Ministry of Labor. 2006. *Memoria Anual: Ministrio de Trabajo y Seguridad Social.* Montevideo: Government of Uruguay.

U.S. Department of State. 2010. "2009 Human Rights Report: Bolivia." www.state.gov/g/drl/rls/hrrpt/2009/wha/136102.htm.

Valenzuela, Arturo. 1978. *The Breakdown of Democratic Regimes: Chile.* Baltimore: Johns Hopkins University Press.

———. 2004. "Latin American Presidencies Interrupted." *Journal of Democracy* 15, no. 4 (October): 5–19.

Valenzuela, Juan Samuel. 1992. "Democratic Consolidation in Post-Transitional Settings:

Notion, Process, and Facilitating Conditions." In *Issues in Democratic Consolidation: The New South American Democracies in Comparative Perspective,* edited by Scott Mainwaring, Guillermo O'Donnell, and J. Samuel Valenzuela. Notre Dame, IN: University of Notre Dame Press.

Valenzuela, Juan Samuel, and Arturo Valenzuela, eds. 1986. *Military Rule in Chile: Dictatorship and Oppositions.* Baltimore: Johns Hopkins University Press.

Van Cott, Donna Lee. 2005. *From Movements to Parties in Latin America: The Evolution of Ethnic Politics.* Cambridge: Cambridge University Press.

Vargas Llosa, Alvaro. 2007. "The Return of the Idiot." *Foreign Policy* 160 (May–June): 54–61.

Vázquez, Tabaré. 2005. "Discurso íntegro del presidente Tabaré Vázquez en el acto realizado en el Palacio Legislativo." March 2, www.observa.com.uy/Obuscar/notaarchivo.aspx?id=29432.

Véliz, Claudio. 1980. *The Centralist Tradition of Latin America.* Princeton, NJ: Princeton University Press.

Veltmeyer, Henry, and James Petras. 2007. "Bolivia and the Political Dynamics of Change." *European Review of Latin American and Caribbean Studies* 83 (October): 105–19.

"Venezuela: Power from a Barrel." 1974. *Latin America* 8 (May 10): 137–38.

Vreeland, James Raymond. 2003. *The IMF and Economic Development.* New York: Cambridge University Press.

———. 2007. *The International Monetary Fund: Politics of Conditional Lending.* New York: Routledge.

Walker, Ignacio. 1990. *Socialismo y Democracia: Chile y Europa en Perspectiva Comparada.* Santiago: CIEPLAN-Hachette.

———. 1991. "Democratic Socialism in Comparative Perspective." *Comparative Politics* 23, no. 4 (July): 439–58.

Wampler, Brian. 2007. *Participatory Budgeting in Brazil: Contestation, Cooperation, and Accountability.* University Park: Pennsylvania State University Press.

Webber, Jeffery R. 2008. "Dynamite in the Mines and Bloody Urban Clashes: Contradiction, Conflict, and the Limits of Reform in Bolivia's Movement towards Socialism." *Socialist Studies* 4, no. 1: 79–115.

Weisbrot, Mark, Rebecca Ray, and Jake Johnston. 2009. "Bolivia: The Economy during the Morales Administration." Center for Economic and Policy Research, Washington, DC.

Weisbrot, Mark, and Luis Sandoval. 2007. "Bolivia's Economy—An Update." Center for Economic and Policy Research, Washington, DC.

———. 2009. "Update on the Ecuadorian Economy." June. Center for Economic and Policy Research, Washington, DC.

Weisbrot, Mark, Luis Sandoval, and David Rosnick. 2006. *Poverty Rates in Venezuela: Getting the Numbers Right.* Washington, DC: Center for Economic and Policy Research. Issue Brief, May.

Weyland, Kurt. 1996. "Neopopulism and Neoliberalism in Latin America: Unexpected Affinities." *Studies in Comparative International Development* 31, no. 3 (Fall): 3–31.

———. 1997. "'Growth with Equity' in Chile's New Democracy?" *Latin American Research Review* 32, no. 1: 37–67.

———. 1999a. "Neoliberal Populism in Latin America and Eastern Europe." *Comparative Politics* 31, no. 4 (July): 379–401.

———. 1999b. "Populism in the Age of Neoliberalism." In *Populism in Latin America,* edited by Michael L. Conniff. Tuscaloosa: University of Alabama Press.

———. 2001. "Clarifying a Contested Concept: Populism in the Study of Latin American Politics." *Comparative Politics* 34, no. 1 (October): 1–22.

———. 2002. *The Politics of Market Reform in Fragile Democracies.* Princeton, NJ: Princeton University Press.

———. 2003. "Neopopulism and Neoliberalism in Latin America: How Much Affinity?" *Third World Quarterly* 24, no. 6: 1095–1115.

———. 2007. *Bounded Rationality and Policy Diffusion: Social Sector Reform in Latin America.* Princeton, NJ: Princeton University Press.

———. 2008. "The Latin American Left: Destroyer or Savior of the Market Model?" Paper presented at the conference "Latin America's Left Turn: Causes and Implications," Harvard University, April 4–5.

———. 2009. "The Rise of Latin America's Two Lefts: Insights from Rentier State Theory." *Comparative Politics* 41, no. 2 (January): 145–64.

Weyland, Kurt, Raúl L. Madrid, and Wendy Hunter, eds. 2010. *Leftist Governments in Latin America: Successes and Shortcomings.* Cambridge: Cambridge University Press.

Wibbels, Erik. 2006. "Dependency Revisited: International Markets, Business Cycles, and Social Spending in the Developing World." *International Organization* 60, no. 2 (April): 433–68.

Wiesehomeier, Nina, and Kenneth Benoit. 2009. "Presidents, Parties, and Policy Competition." *Journal of Politics* 71, no. 4 (October): 1435–47.

Williamson, John. 1990. "What Washington Means by Policy Reform." In *Latin American Adjustment: How Much Has Happened?* edited by Williamson. Washington, DC: Institute of International Economics.

Wilpert, Gregory. 2006. "The Meaning of 21st Century Socialism for Venezuela." www.venezuelanalysis.com/print.php?artno=1776.

———. 2007. *Changing Venezuela by Taking Power.* London: Verso.

Winn, Peter. 1986. *Weavers of Revolution: The Yarur Workers and Chile's Road to Socialism.* New York: Oxford University Press.

World Bank. 2000. *Bolivia: From Patronage to a Professional State: Report No. 20115BO.* Washington, DC: World Bank.

———. 2007. *World Development Indicators.* Washington, DC: World Bank, http://data.worldbank.org/data-catalog/world-development-indicators.

———. 2008. *World Development Indicators.* Washington, DC: World Bank, http://data.worldbank.org/data-catalog/world-development-indicators.

———. 2010a. "Ecuador Trade Brief." In *World Trade Indicators 2009/10: Country Briefs.* Washington, DC: World Bank.

———. 2010b. *World Development Indicators.* Washington, DC: World Bank, http://data.worldbank.org/data-catalog/world-development-indicators.

Yashar, Deborah. 2005. *Contesting Citizenship in Latin America: The Rise of Indigenous Movements and the Postliberal Challenge.* Cambridge: Cambridge University Press.

Zago, Angela. 1992. *La rebelión de los ángeles.* Caracas: Fuente editores.

Zakaria, Fareed. 1997. "The Rise of Illiberal Democracy." *Foreign Affairs* 76, no. 6 (November–December): 22–43.

Zechmeister, Elizabeth. 2006. "Who's Left and Who's Right? A Q-method Study of Individual and Contextual Influences on the Meaning of Ideological Labels." *Political Behavior* 28:151–73.

Zelaznik, Javier. 2007. "Building the New out of the Old? Politics and Economy under Kirchner." Paper presented at the workshop "Modern Markets and Traditional Politics," Latin American Centre, University of Oxford, June 4, 2007.

This page intentionally left blank

JASON ROSS ARNOLD is an assistant professor of political science at the L. Douglas Wilder School of Government and Public Affairs at Virginia Commonwealth University. In his current research, he examines the causes and consequences of widespread public ignorance in new and old democracies.

MAXWELL A. CAMERON teaches political science at the University of British Columbia, where he specializes in comparative and Latin American politics. He is the author of *Democracy and Authoritarianism in Peru* (St. Martin's, 1994), the coauthor of *The Making of NAFTA: How the Deal Was Done* (Cornell, 2000), and the coeditor, most recently, of *Latin America's Left Turns: Politics, Policies, and Trajectories of Change* (Lynne Rienner, 2010). Through the Centre for the Study of Democratic Institutions at UBC, he is currently involved in the Andean Democracy Research Network, which monitors and reports on the state of democracy in the Andean region.

RUTH BERINS COLLIER is Heller Professor of Political Science at the University of California, Berkeley. Her research has focused on comparative analyses of regime change, mass participation, and labor politics in Latin America, Africa, and Europe. Her books include *Regimes in Tropical Africa, Shaping the Political Arena, Paths toward Democracy, The Contradictory Alliance,* and *Reorganizing Popular Politics: Participation and the New Interest Regime in Latin America.*

CATHERINE M. CONAGHAN is a professor of political studies at Queen's University in Kingston, Ontario. She is a specialist in Andean politics and the author, most recently, of *Fumimori's Peru: Deception in the Public Sphere* (University of Pittsburgh Press, 2005).

SEBASTIÁN ETCHEMENDY received his Ph.D. from the Department of Political Science at the University of California, Berkeley, and is currently an assistant professor at Torcuato Di Tella University in Buenos Aires. He has published articles in numerous scholarly journals, including *Comparative Politics, Comparative Political Studies, Politics and Society,* and *Latin American Politics and Society.*

CANDELARIA GARAY is a Ph.D candidate in political science at the University of California, Berkeley. Her research interests include social policy, collective action, and political parties. Her work has been published in *Politics and Society.* She is joining the faculty of the Kennedy School of Government at Harvard University in 2011.

BENJAMIN GOLDFRANK is an assistant professor at the Whitehead School of Diplomacy and International Relations at Seton Hall University. His teaching and research focus on the comparative analysis of Latin American politics. He is coeditor of *The Left in the City: Participatory Local Governments in Latin America* and the author of *Deepening Local Democracy: Participation, Decentralization, and the Left* (forthcoming, Pennsylvania State University Press), as well as recent articles in *Comparative Politics, Latin American Politics and Society,* and the *International Journal of Urban and Regional Research.*

SAMUEL HANDLIN is writing a book manuscript, "The Politics of Inclusion: The Left, Policy Innovation, and Party System Change in South America, 1990–2010." He is also the coeditor and coauthor of *Reorganizing Popular Politics: Participation and the New Interest Regime in Latin America.*

EVELYNE HUBER is the Morehead Alumni Professor of Political Science at the University of North Carolina, Chapel Hill. She is the coauthor of *Capitalist Development and Democracy* (with Dietrich Rueschemeyer and John D. Stephens, 1992) and *Development and Crisis of the Welfare State* (with John D. Stephens, 2001) and is the recipient of a fellowship from the Guggenheim Foundation.

WENDY HUNTER is an associate professor in the Department of Government at the University of Texas at Austin. She has done in-depth work on the military in Brazil and the Southern Cone, as well as research on social policy issues in Latin America and the Workers' Party in Brazil. She is the author of *Eroding Military Influence in Brazil: Politicians against Soldiers* (University of North Carolina Press, 1997), *Transformation of the Workers' Party in Brazil, 1989–2009* (Cambridge University Press, 2010), and numerous articles in scholarly journals.

ROBERT R. KAUFMAN is a professor of political science at Rutgers University. He is the coauthor, with Stephan Haggard, of *Development, Democracy, and Welfare States: Latin America, East Asia, and Eastern Europe.* His current research is on the effects of economic inequality on democratic politics in Latin America.

JORGE LANZARO is a professor at the Instituto de Ciencia Política, which he founded and directed, of the Universidad de la República in Montevideo, Uruguay. He is coeditor of *Political Parties and Democracy* (with Kay Lawson, 2010), *La izquierda uruguaya* (2004), and *Tipos de presidencialismo y coaliciones políticas en América Latina* (2001).

STEVEN LEVITSKY is a professor of government at Harvard University. His areas

of research include political parties and party change and also political regimes and regime change, primarily in Latin America. He is the author of *Transforming Labor-Based Parties in Latin America: Argentine Peronism in Comparative Perspective* (Cambridge University Press, 2003) and coauthor (with Lucan A. Way) of *Competitive Authoritarianism: Hybrid Regimes after the Cold War* (Cambridge University Press, 2010).

MARGARITA LÓPEZ MAYA is a senior researcher at the Centro de Estudios del Desarrollo of the Universidad Central de Venezuela and a former editor of *Revista Venezolana de Economía y Ciencias Sociales.* A political historian with a Ph.D. in social sciences, she has published, among other works, *Del viernes negro al referendo revocatorio* (2005) and various articles on social protest, popular organization, and democratic participation in Venezuela.

RAÚL MADRID is an associate professor in the Department of Government at the University of Texas at Austin. He is the author of *Retiring the State: The Politics of Pension Privatization in Latin America and Beyond* and various articles on economic and social policy and indigenous politics. He is currently writing a book on the rise of ethnopopulism in Latin America.

MARÍA VICTORIA MURILLO is an associate professor of political science and international affairs at Columbia University. Her research focuses on labor politics, political parties, the political economy of policymaking, and institutional weakness in Latin America. She is the author of *Political Competition, Partisanship, and Policymaking in Latin American Public Utilities* (Cambridge University Press, 2009) and *Labor Unions, Partisan Coalitions, and Market Reforms in Latin America* (Cambridge University Press, 2001). She has also edited books in English and Spanish about Latin American politics and published numerous articles in scholarly journals.

VIRGINIA OLIVEROS is a Ph.D. candidate in the Department of Political Science at Columbia University. Her dissertation focuses on the electoral returns of patronage politics in Argentina. Her other research interests include elections, electoral rules, and voting behavior in Argentina, and the new Left in Latin America.

JENNIFER PRIBBLE is an assistant professor of political science and international studies at the University of Richmond. Her research on Latin American political economy and comparative social policy has been published in the *American Sociological Review, Comparative Politics,* the *Latin American Research Review,* and *Studies in Comparative International Development.* She is currently writing a book about the politics of universalizing social policy in Latin America.

KENNETH M. ROBERTS is a professor of government and the Robert S. Harrison Director of the Institute for the Social Sciences at Cornell University. He is the

author of *Deepening Democracy? The Modern Left and Social Movements in Chile and Peru* (Stanford University Press, 1998) and the coeditor of *The Diffusion of Social Movements: Actors, Mechanisms, and Political Effects* (Cambridge University Press, 2010), as well as other works on populism, party systems, and the politics of market reform and social inequality in Latin America.

DAVID J. SAMUELS is the Benjamin Lippincott Professor at the University of Minnesota. His most recent book (with Matthew Shugart) is *Presidents, Parties, and Prime Ministers* (Cambridge University Press).

MILAN VAISHNAV is a Ph.D. candidate in the Department of Political Science at Columbia University. His dissertation examines the connections between criminality, money, and electoral performance in India. His other research interests include dynamics of pork barrel distribution, political corruption, and new left governments in Latin America.

KURT WEYLAND is the Lozano Long Professor of Latin American Politics at the University of Texas at Austin. He has published articles, chapters, and books on democratization, market reform, populism, social policy, and the "new Left" in Latin America. A new project analyzes the cross-national diffusion of political regime changes, starting with the 1848 revolutions in Europe and Latin America.

DEBORAH J. YASHAR is a professor of politics and international affairs at Princeton University. She is the author of *Demanding Democracy: Reform and Reaction in Costa Rica and Guatemala* (Stanford University Press, 1997) and *Contesting Citizenship in Latin America: The Rise of Indigenous Movements and the Postliberal Challenge* (Cambridge University Press, 2005). She is currently writing a book about contemporary violence in third-wave democracies.

ABONG (Brazilian Association of NGOs), 171, 174
Acosta, Alberto, 266, 275, 279
AD (Acción Democrática, Venezuela), 54, 104, 168, 219
ADN (Acción Democrática y Nacionalista, Bolivia), 241, 243
Aerolíneas Argentinas, 293, 304n15
AF (Alianza para el Futuro, Peru), 388
Ahmadinejad, Mahmoud, 247
ALBA (Alianza Bolivariana para los Pueblos de Nuestra América), 100, 225, 246, 278, 400
Alencar, José, 168
Alexis Vive (Venezuela), 218
Alfonsín, Raúl, 59
Allende, Salvador, 335, 424; radical agenda of, 12, 93, 326, 328, 329
Aló Presidente, 144, 232
Alvarado, Vinicio, 268, 269, 270, 273
Álvarez Paz, Oswaldo, 235
ANONG (National Association of Development-Oriented NGOs, Uruguay), 176
anti-Americanism, 33, 46–48, 49–50. *See also* United States
Antúnez, Damian, 56
AP (Acción Popular, Peru), 378, 381
APRA (Alianza Popular Revolucionaria Americana, Peru), 376, 377, 387, 388, 390; historical trajectory of, 5, 18, 381, 412, 426; Lima as bastion of, 380, 383, 395; neoliberal policies of, 59, 388; as populist machine, 14, 16, 18, 411–12
APRODEH (Asociación pro Derechos Humanos, Peru), 393
Argentina, 283–305; agricultural exports of, 106; business sector in, 283, 284, 292; Central Bank in, 101; citizen security in, 205; and commodities boom, 65, 99, 115; corporatism in, 294, 295; debt of, 108, 289–90, 296; economic growth rates, 105, 107, 290; education in, 304–5n19; exchange rates in, 98, 288, 289, 290, 303–4nn5–6; family allowance law in, 296; "farm war" in, 284, 287, 291–92; fiscal and monetary policy, 97, 98, 99, 111, 289, 290; heterodox policies of, 3, 106, 107, 110, 111, 114, 290, 401; housing in, 295, 305n21; and IMF, 289, 290, 298; income transfers in, 295, 305n20; inflation in, 93, 102, 111, 288, 290, 304n8; institutionalization in, 112, 404; Kirchner election in, 1, 52, 55, 285, 299, 305n28; labor policy in, 293–95, 298; macroeconomic policy of, 105–7, 284, 288–91, 294, 296–98; nationalizations in, 283, 293; and neoliberalism, 14, 18, 55, 59, 285, 288, 298, 401, 410; oil companies in, 283, 292; party-system crisis in, 299–300, 411; pension reform in, 283, 295, 296–97; Perón government in, 426; pluralism and democracy in, 107, 284–85, 402; polarization in, 116, 284; populist machine in, 14, 303, 410–11; poverty in, 289; price controls in, 98–99, 106, 291, 292; public utilities in, 292, 295; regulatory policy of, 65, 283, 291–93, 298; social movements in, 283, 284, 285–87, 294, 297, 299, 301, 303; social protests in, 105, 286, 292–93, 303n4, 411; statist policies in, 99, 110; unemployment in, 289; unions in, 287, 293–95, 297, 301; and world financial crisis, 290–91
Arias Cárdenas, Francisco, 237n5

ASP (Asamblea Soberanía de los Pueblos, Bolivia), 28n12, 241, 242
Astori, Danilo, 101, 128–29
ATPDEA (Andean Trade Promotion and Drug Eradication Act), 247
AUGE (Universal Access to Explicit Health Guarantees, Chile), 83, 89, 123–24, 131, 134, 340, 343
Aurélio Garcia, Marco, 321
authoritarianism: Chávez government and, 236, 403, 417; democratic transition from, 8, 189, 196, 416–17; public opinion on, 41–42, 50n9
Aylwin, Patricio, 83, 127, 128, 331, 337, 341

Bachelet, Michelle, 102, 117, 120, 126, 202, 325, 343, 406; and health care, 124, 343; institutional constraints on, 344, 346; macroeconomic policies of, 339, 342; pension reform of, 120–21, 134, 190, 343; and public education, 122–23, 132, 343
Baduel, Raúl Isaías, 229, 234
Baker Plan, 56
Banco del Sur, 246, 278
Bandera Roja (Venezuela), 215–16
Banzer, Hugo, 241, 243
Barrantes, Alfonso, 379
Barreiro, Belen, 66
Barrio Adentro, 151, 178, 224
Batlle, Jorge, 358
Belaúnde Terry, Fernando, 59, 378
Bermeo, Nancy, 208n8
Blair, Tony, 221
Blanco, Richard, 234
Bolívar, Simon, 215, 260
Bolivarian Circles, 151, 177, 218, 420
Bolivarianism, 160, 234, 236; ambiguity of, 91, 220; authoritarian features of, 217, 236; communal councils and, 152, 155, 157; and Cuba, 224; differences within, 180, 231; electoral activity of, 146, 221, 233; heterogeneity of, 159, 213, 216; inclusionary nature of, 218, 425–26; international policy of, 221, 224, 232; military preeminence within, 218, 235–36; mobilizational character of, 160, 229; origins of, 19, 213–16; and participatory democracy, 220, 223–24, 235, 236, 419–20; plebiscitarian orientation of, 3, 182–83, 251, 402–3, 417; and property rights, 221, 228–29; and socialism, 19–20, 229, 230–31, 233; statism of, 226, 229, 236, 279, 400; *talibanism* in, 231; and "third way," 221, 223. *See also* Chávez, Hugo; Chavismo; socialism-of-21st-century project; Venezuela
Bolivia, 239–59; citizen security in, 197; coca growers' unions in, 241, 252; and commodities boom, 191, 425; constitutional overhaul in, 80, 252–53; crisis-outsider path to power in, 405, 407–8, 417; and Cuba, 246; divided control of congress in, 417, 427n9; drug trafficking in, 247; education in, 250, 251; elections of 2009 in, 253, 258; fiscal and monetary policy of, 97, 98, 99; foreign policy of, 246–47, 255–56, 257–58, 259n7; foreign trade of, 249; gas rentierism of, 79–80; Gas Wars in, 19, 243; growth rate, 243, 249; health care in, 251; heterodox policies of, 3, 99, 240, 249, 256, 257, 401, 409; human rights in, 240, 253, 254; indigenous in, 194, 243–45, 253, 255, 420; inflation in, 99, 111, 243, 249; institutionalization in, 112; investment in, 249; joins ALBA, 401; land reform in, 250; macroeconomic policy of, 247–49; Morales electoral victory (2005), 1, 52, 239, 245–46, 259n6, 418; nationalizations in, 79, 92n4, 191, 248; neoliberalism in, 242–43; opposition to Morales in, 80, 251–52; pension reform in, 250–51; plebiscitarian approach in, 240, 251, 253, 402–3, 417; polarization in, 80, 255, 258, 426; political and economic constraints on, 257, 409; popular participation in, 258, 420; poverty in, 249, 425; and presidential term limit, 253, 259n8; privatization in, 243; property rights in, 248; public opinion in, 243, 258, 418; role of state in, 249, 401; and socialism, 248, 259n8, 401; social movement influence in, 242, 259n3; social programs in, 191, 250, 251; social protests in, 19, 243, 254, 408; support for Morales in, 242, 255, 425; and U.S., 247, 255–56; and Venezuela, 12, 246; voter participation in, 253–54, 259n11, 420; Water Wars in, 19, 243. *See also* MAS; Morales, Evo
Bolsa Família (Brazil), 65, 87, 135, 311, 315–18, 402
BPS (Social Security Bank, Uruguay), 362, 363
Brady Plan, 56
Bravo, Douglas, 215
Brazil, 306–24; and Bolivia, 249; cash transfer

programs in, 65, 87, 135, 311, 315–18, 402, 419; Central Bank in, 109; citizen security in, 199, 203–4; and commodities boom, 312, 314; corporatism in, 162–63, 167, 168, 171; corruption scandals in, 318, 319–20; economic growth rate in, 107, 110, 312; education in, 315; foreign debt of, 108; foreign policy of, 311, 320–22; and free trade agreements, 320, 321; health care in, 87, 315; and IMF, 109, 309, 311, 312; inflation in, 93, 102–3, 109–10, 111, 312; institutional path to power in, 112, 404, 405, 406, 407; land reform in, 313–14; left turn sustainability in, 88, 423–24; liberal democracy in, 3, 402, 416; Lula approval ratings in, 114, 317, 434; Lula electoral victory in, 1, 52, 108–9, 416; macroeconomic orthodoxy of, 3, 21, 81, 85–86, 89, 101, 108, 110, 311–12, 322; military coups and dictatorships, 170, 416; minimum wage in, 312, 317; Multiyear Plan of, 151; and neoliberalism, 85, 86, 108; NGOs in, 163, 169, 171, 172, 173–74; participatory budget process in, 162, 164–66, 170, 183n3, 418–19; participatory strategy of, 168–69, 171–74, 418–19; pension system in, 87; poverty in, 74, 313, 316; power sharing in, 169, 174, 310, 352, 414, 417; privatization in, 85–86, 108; social liberalism in, 100–101, 111, 307, 349, 401–2, 407; social spending in, 22, 87, 109, 312, 315, 402; statist features in, 98; tax burden in, 86; unions in, 149, 168, 301, 302, 415; and U.S., 320; and world financial community, 301–2, 312. *See also* Lula de Silva, Luiz Inácio; PT
Bucaram, Abdalá, 261, 262–63, 267
Burgess, Katrina, 59
Bush, George W., 247

Cabral, Sergio, 204
Caldeira, Teresa P. R., 199
Caldera, Rafael, 216, 219
Calderón, Felipe, 200, 209n20
Cammack, Paul, 413
Caracazo (1989), 19, 214, 219, 408
Cárdenas, Lázaro, 7, 188
Cardoso, Fernando Henrique, 87, 203, 314, 320; market-oriented policies of, 81, 85–86, 89, 108, 306, 308, 309
Carranza, Luis, 388
Carrión, Benjamín, 266
cash transfer programs: in Argentina, 295, 305n20; in Brazil, 65, 87, 135, 311, 315–18, 402, 419; in Chile, 119–20, 128, 132–33, 134, 136n13, 340; in Ecuador, 276; in Uruguay, 121, 133, 361, 363–64
Castañeda, Jorge G., 58, 208n8, 283
Castañeda Lossio, Luis, 388
Castillo, Juan, 374n18
Castro, Fidel, 20, 240, 246
Castro, Raúl, 246
Catholic Church, 251, 283
caudillismo, 189, 214
Causa R (Venezuela). *See* LCR
CDES (Economic and Social Development Council, Brazil), 171–72, 173–74
CEN (National Economic Council, Uruguay), 174, 176–77
César Rivas, Julio, 235
CGT (Confederación General de los Trabajadores, Argentina), 287, 293, 304n17
CGTP (Confederación General de Trabajadores del Perú), 392–93
Chartock, Sarah, 193
Chávez, Hugo, 20, 35, 99, 301, 320; authoritarianism of, 236, 403, 417; and business sector, 168, 301; charismatic nature of, 213; and civil and political rights, 189, 208n10; and communal councils, 152, 227; on constitutional reform effort, 226–27, 232; coup attempt by (1992), 213, 214, 216, 408; elected in 1998, 1, 52, 235, 418; Evo Morales and, 72, 79, 240; on five "constituent motors," 226–27; initial economic policies, 55, 222; international policy, 104, 224–25, 232; issues Amnesty Law, 232; and labor movement, 155, 415; media presence by, 144, 232; "participatory clientelism" of, 167–68; and participatory democracy, 162, 166–67; personalistic authority of, 75, 217, 236; plebiscitarian approach of, 251, 403, 409; as political outsider, 113, 409; popular support for, 40, 153, 230, 425; and populism, 6, 7, 15, 104–5, 189; on public security, 204; radicalism of, 55, 72, 92n1, 219, 229, 230, 300; reelected in 2006, 225; and socialism, 20, 104, 226, 412; and social rights, 190–91; statism of, 75–76, 101, 227, 279, 400; "three Rs" of, 232; and U.S., 27n4, 224–25, 400. *See also* Venezuela
Chavismo, 19, 168, 233, 236; anti-establishment

Chavismo (*cont.*)
nature of, 12, 425; radical democratic orientation of, 167, 182, 419, 422. *See also* Bolivarianism
Chile, 325–47; Allende government in, 12, 17, 326, 328, 329, 335, 424; anti-Pinochet protests in, 329–30, 345; and Bolivia, 259n7; business elite in, 345; cash transfer programs in, 119–20, 128, 132–33, 134, 136n13, 340; center-left coalition in, 158, 161n13, 414, 426–27n5; Central Bank in, 343–44; citizen security in, 202; and commodities boom, 339–40; constitution of 1980, 331, 332, 333; copper exports of, 111; degree of institutionalization in, 112, 347, 350; democratic transition in, 88, 331, 332, 416–17; divorce legalized in, 340; economic boom in, 88, 336–37, 338, 344–45; economic growth rate, 74, 81, 84, 88, 338, 342; education in, 84, 122–23, 132, 135, 342, 343; electoral system in, 344; fiscal and monetary policies, 99, 102, 339–40; and free trade accords, 339; government spending in, 84, 98, 110, 340, 402; health care in, 83, 84, 123–24, 134, 135, 136nn11–12, 190, 340, 343; income inequality in, 84, 338; inflation in, 102; information access in, 342; institutional path to power in, 404, 405, 406, 407; left party linkages in, 144, 145–46, 149, 151, 157, 158; left turn sustainability in, 88, 423–24; liberal democracy in, 3, 402; macroeconomic orthodoxy in, 3, 21, 101, 111, 337, 339–40, 342; minimum wage in, 85, 126, 402; and neoliberalism, 119, 135, 326–27, 336–37, 344, 345, 347; party system realignment in, 334; pension reform in, 84, 89, 120–21, 134, 135, 190, 343, 402; Piñera election in, 31, 346; Pinochet dictatorship in, 17, 88, 122, 134, 325, 326–27, 328, 329, 330, 336, 344; polarization in, 352; poverty in, 81, 85, 117, 120, 338; privatization in, 82, 89; repression in, 18, 416; right-wing parties in, 114, 133–34, 334, 345; social liberalism in, 108, 111, 325, 347, 349, 401–2, 407; social protests in, 122, 334; taxes in, 127–28, 134, 137nn23–25, 340–41; unions in, 149, 335, 337, 341–42, 345, 415; women in, 123, 136n10; and world financial crisis, 340
Chilean Socialist Party. *See* PSCh
Chile Solidario, 119–20, 128, 132, 134, 136n13, 340
China, 247
Christian Democratic parties, 208n5
Christian Democratic Party of Chile. *See* PDC
citizen security, 196–206, 422–23; in Argentina, 205; in Brazil, 199, 203–4; in Central America, 196, 200, 201–2, 204–5, 209nn19–20, 209–10n31, 292; in Chile, 202; as left issue, 200, 201–5, 207; and private security firms, 197; public insecurity about, 197, 204; Right on, 200–201, 422; in Venezuela, 197, 204, 427n11
citizenship, 185–86, 206, 317–18, 423; left view of, 185, 187, 195
citizenship rights, 191–92, 422–23; and identity, 184, 193, 195; left views on, 184, 188–89, 194, 206; security as, 184, 199
City of Walls (Caldeira), 199
Ciudadano, El, 274
civil rights, 185, 188–89, 206
Clarín, El, 205
CLPPs (Venezuela), 177, 178–79
CNS Mujeres (Comisión Nacional de Seguimiento Mujeres por Democracia, Equidad y Ciudadanía, Uruguay), 177
Cobos, Julio, 292, 304n12
Cold War, 8, 46, 378, 416; end of, 3, 5, 9, 48, 49, 58, 60, 64, 380
Collor de Mello, Fernando, 6, 85, 318
Colom, Álvaro, 5, 27n1, 195–96, 209n31
Colombia, 40, 261, 278, 396n11
Comercio, El, 375, 387–88
commodities boom, 10, 53, 56–57, 65; Argentina and, 99, 115, 290; Bolivia and, 111, 191, 425; Brazil and, 312, 314; Chile and, 339–40; differential impact of, 94, 95, 110; and economic populism, 111; Ecuador and, 111, 280; and left turn, 10–11, 21, 73–74, 404, 423; Peru and, 376, 394; Venezuela and, 99, 111, 191, 425
communal councils (CCs, Venezuela), 151–56, 160–61n5, 161n11, 177–82, 226, 420; and Bolivarian project, 155, 157, 226, 227; organic law on, 234
Communist parties. *See* PCCh; PCV
CONAIE (Confederación de Nacionalidades Indígenas del Ecuador), 194, 263, 264; Correa and, 274–75, 277, 281
CONALCAM (National Coordinator for Change, Bolivia), 242, 254

Concertación (Chile), 122, 130, 132, 202, 334; accepts market model, 74, 81, 82, 85, 337; as center-left coalition, 119, 129–30, 143, 331, 352; economic prudence by, 81, 91, 344; formation of, 331; ideological differences within, 129–30, 352; moderation of, 72, 74, 88–89, 344
constraints, economic and political, 53, 56, 64, 73, 92, 95, 115, 404; on Bolivia, 257, 409; on Brazil, 309, 310; on Chile, 326, 327, 332–33, 335, 343–44, 346; on Ecuador, 99–100, 110, 115, 409; on Nicaragua, 99, 110, 115; on Venezuela, 54–55, 104, 114, 115
cooperatives, 75, 178, 222
COPEI (Comité de Organización Política Electoral Independiente, Venezuela), 104, 219
Coppedge, Michael, 54
COPRE (Presidential Commission for the Reform of the State, Venezuela), 220
Corbo, Vittorio, 101
Coronil, Fernando, 236
corporatism: in Argentina, 294, 295; in Brazil and Uruguay, 162–63, 167, 168, 171; in Venezuela, 170
Correa, Rafael, 100, 116n3, 265, 281, 409; background of, 264–65; and civil society, 274, 420–21; confronts foreign capital, 265, 276–77; convokes constituent assembly, 260, 266, 271–73, 275; elected president, 1, 52, 261–62, 386, 418; electoral campaigns of, 262, 265–67, 268–69, 273; foreign policy of, 278; heterodox policies of, 279–80, 401; and indigenous groups, 194, 195, 279; and media, 273, 274; and Morales and Chávez, 260, 279; on neoliberalism, 265, 275; patriotism and nationalism of, 266, 278; plebiscitarian approach of, 251, 279, 403, 409; as political outsider, 19, 113, 409; popular support for, 260, 273, 280; as populist, 6, 15, 262, 270, 279; and socialism, 277, 401
Costa Rica, 38, 209n19
coups, 8, 416; in Chile, 328, 416; in Honduras, 1, 65, 427nn6–7; in Venezuela (1992), 19, 213, 214, 216, 408; in Venezuela (2002), 27n4, 218, 222
CPC (Confederation of Production and Commerce, Chile), 345
CPPC (Presidential Commission for Communal Power, Venezuela), 227
CPRC (Presidential Commission for Constitutional Reform, Venezuela), 227, 228
CRA (Rural Confederations of Argentina), 304n10
Crabtree, John, 389, 390–91
CRBV (Constitution of the Bolivarian Republic of Venezuela), 220–21
crime, 199, 427n11; homicide rates, 196, 197, 198, 199, 202, 204, 209n19; as left issue, 203, 207; *mano dura* policies against, 200–201, 202, 209n22; public concern about, 197, 204, 422. *See also* citizen security
crisis-outsider path to power, 6, 15, 19, 112, 115, 399, 404–5, 407–10
CSUTCB (Confederación Sindical Única de Trabajadores Campesinos de Bolivia), 241
CTA (Central de los Trabajadores Argentinos), 287
CTERA (Confederación de Trabajadores de la Educación de la República Argentina), 294
CTUs (urban land committees, Venezuela), 177
CTV (Venezuelan Workers Confederation), 149
Cuba, 208n7, 256; Bolivia and, 246; Peru and, 378; revolution in, 20, 24, 187, 208n4, 327; Venezuela and, 78, 224
CUT (Central Única dos Trabalhadores, Brazil), 168, 302
CUT (Central Unitaria de Trabajadores de Chile), 341

Dahik, Alberto, 262
Dammert, Lucía, 202
debt crisis of 1980s, 2, 57, 93, 98, 298, 335
de la Rúa, Fernando, 101, 105, 411
del Castillo, Jorge, 391
democracy: age of, 58, 64; becomes left goal, 17, 24, 162, 163, 329; and democratic performance, 33, 38–40, 48, 182, 183nn9–10, 243, 254–55, 258, 418; and institutionalized party systems, 58, 116; Latin America's transition to, 8, 88, 331, 332, 351, 372, 380, 402, 416–17; left skepticism about, 24, 38, 43, 48; left turn's implications for, 49, 416–17; partisan swings under, 49, 58, 424; popular cynicism about, 32, 42–44; public opinion on, 33, 41–42, 44–46, 48, 183nn9–10, 254–55, 258, 418; radical and plebiscitary modes of, 162, 166, 173, 180–81, 189, 216, 220, 223, 228, 230, 236,

democracy (*cont.*)
240, 250–51, 254–55, 418, 420, 421; rival conceptions of, 24–25; stability of, 58–59, 174, 177, 182
Díaz, Javiera, 202
dictatorships, right-wing military, 18, 50n9, 170; in Chile, 17, 88, 122, 326–27, 328, 329, 330, 336
divorce, 340
Dominican Republic, 27n1
Dornbusch, Rudiger, 93
drug trafficking, 247
Duhalde, Eduardo, 101, 114, 205, 286, 295; macroeconomic policy of, 106, 288
Dutra, Olívio, 169, 170, 171, 173, 174

Economic Commission for Latin America and the Caribbean (ECLAC), 223, 360
Economist, The, 38
Ecuador, 260–82; Citizens' Revolution in, 260, 273, 275, 279–81; commodities boom and, 280; communications infrastructure of, 274; constitutional reform in, 260, 264, 271–73; Correa election in, 1, 52, 261–62, 267–71, 418; corruption scandals in, 262–63; crisis-outsider path to power in, 6, 15, 19, 112, 115, 405, 407–8, 417; dollarization in, 98, 99, 263, 278, 280, 282n12, 401; economic nationalism of, 111; economic policy in, 116n3, 263–64, 275, 278; external constraints on, 99–100, 110, 115, 409; foreign companies in, 276–77; foreign policy of, 278; and free trade agreements, 265; health care in, 276; heterodox policies of, 3, 99, 279–80, 401, 409; indigenous in, 15, 193, 194–95, 279, 427n10; inflation in, 98; joins ALBA, 401; military dictatorship in, 18; neoliberal reforms in, 263, 264; plebiscitarian orientation in, 251, 279, 402–3, 417; popular participation in, 275, 420–21; populism in, 260–61; poverty in, 425; proposed Water Law in, 281; role of state in, 276, 280, 401; and socialism, 401; social programs in, 276; toppling of presidents in, 15, 19, 116n6, 263, 264, 408; unemployment in, 280; and U.S., 278; and Venezuela, 100
education: in Argentina, 304–5n19; in Bolivia, 250, 251; in Brazil, 315; in Chile, 84, 122–23, 132, 135, 342, 343; in Peru, 389; in Uruguay, 122, 123, 132, 135, 362, 366–67; in Venezuela, 224
Edwards, Sebastian, 56, 93
Ellner, Steve, 180
El Salvador: citizen security in, 196, 200, 202, 204–5, 209nn19–20; FMLN election in, 1, 52
ENARSA, 293
Enríquez-Ominami, Marco, 346
Equity Plan (Uruguay), 121, 133, 135, 363–64
Espinoza, Emilio, 269
ethnicity, 5, 192, 196, 207. *See also* indigenous population; multiculturalism
Eyzaguirre Guzmán, Nicolás, 101, 102

FA (Frente Amplio, Uruguay): cash transfer program of, 121, 133, 361, 363–64; as catch-all party, 352, 353, 356; and democratization, 162, 416, 417; as electoral professional left party, 13–14, 418; electoral successes of, 35, 113, 163, 355, 356, 371–72, 374n12; fractionalized character of, 131, 357; governs without coalition, 159, 352, 356, 371, 414; history of, 355; ideology of, 129, 130, 353; institutional path to power of, 159, 349–50, 405, 406; linkages of, 132, 146, 148, 153, 154–55, 157–58, 159–60, 352, 353–54, 356, 367, 373nn10–11, 406, 415, 419; as mass-organic left party, 117, 131, 132; moderate transformation of, 17, 159, 168, 353, 405, 406; movement left origins of, 16, 17, 142, 421; municipal governance by, 163, 164, 167; and neoliberal orthodoxy, 4–5, 401–2, 406; party identification with, 373n10; and popular participation, 174–76, 419; PT and, 320; repression against, 17; right-wing opposition to, 169–70; structure of, 119, 129, 130–32, 353, 357; and tax policy, 128
FAA (Agrarian Federation of Argentina), 304n10
Falconi, Fander, 266, 279
Farthing, Linda, 257
Febres Cordero, León, 261
Fernández, Leonel, 252
Fernández de Kirchner, Cristina, 55, 107, 283, 292, 296, 300; economic policy of, 101, 288; public security policy of, 205
financial crisis of 2008–9, 236, 342; impact in Argentina, 290–91; impact in Chile, 340; impact in Venezuela, 233–34, 236, 237

First National Conference of Cities (Brazil), 169, 173
Fishlow, Albert, 56, 65
Flores, Cilia, 227
Flores Aráoz, Antero, 388, 393
Flores-Macías, Gustavo, 404
Flores Nano, Lourdes, 383, 384, 388, 389
FMLN (Frente Farabundo Martí para la Liberación Nacional, El Salvador), 16, 27n9, 163, 204–5, 421
FONASA (National Health Fund, Chile), 123, 124
FONCODES (Fondo de Cooperación Para el Desarrollo Social, Peru), 383
Força Sindical (Brazil), 168
Fortes, Marcio, 174
free trade agreements: Brazil and, 320, 321; Chile and, 339; Ecuador and, 265; Peru and, 390, 395
Free Trade Area of the Americas (FTAA), 169, 320, 321, 390
Frei, Eduardo, 331, 334, 337, 346
FSLN (Sandinista National Liberation Front, Nicaragua), 163–64, 201–2; during Nicaraguan Revolution, 14, 192, 347n1; as populist machine, 14–15
FTV (Federación Tierra y Vivienda, Argentina), 303n3
Fuentes, Hernán, 393
Fujimori, Alberto, 35, 386, 388; arrest and imprisonment of, 385, 388; as political outsider, 379, 381; as populist, 6, 379, 417
FUNDACOMUNAL (Fundación para el Desarrollo y Promoción del Poder Comunal, Venezuela), 152
Funes, Mauricio, 1, 52, 204–5

Gallegos, Franklin, 283
García, Alan, 388, 393; election in 2006 of, 18, 261, 375, 377, 379, 387, 390, 395; first term of, 18, 93, 377, 412, 424; foreign policy of, 390; neoliberal policies of, 59, 376–77, 388–89, 402; popular dissatisfaction with, 35, 392; repression by, 393–94; rightward shift of, 14, 375, 376–77, 387, 390, 412
García-Guadilla, María Pilar, 179
García Linera, Alvaro, 248, 256
García Pérez, Alan, 378
Garretón, Manuel Antonio, 427n12
gender equality, 343
Genro, Tarso, 169, 171
Gerchunoff, Pablo, 56
Global Finance, 116n2
Goldberg, Philip, 247
González, Rubén, 234
governance, 58, 335, 423–24; and grassroots participation, 421–22; liberal democratic approach to, 3, 402, 416; municipal, 163, 164, 167; plebiscitarian approach to, 3, 182–83, 240, 251, 253, 279, 401–2, 403, 404–5, 409, 417; social movements and, 16. *See also* democracy; left governance
Gregario Rebeco, José de, 116n1
Group of 20 (G20), 321
Guatemala, 27n1; citizen security in, 196, 200, 202, 209n19, 209–10n31; indigenous in, 195–96
Guevara, Ernesto Che, 260
Gutiérrez, Francisco, 201
Gutiérrez, Gilmar, 267, 269
Gutiérrez, Lucio, 5, 116n6, 267, 273; betrays leftist mandate, 261, 417; embraces neoliberalism, 12, 264; popular discontent with, 194, 264; as populist, 261, 417; and *pueblazo,* 263
Guzmán, Abimael, 379

Haya de la Torre, Victor Raúl, 188, 242, 390
health care, 83, 84, 134; in Bolivia, 251; in Brazil, 87, 315; in Chile, 123–24, 135, 136nn11–12, 190, 340, 343; in Ecuador, 276; in Peru, 389; in Uruguay, 123, 125–26, 132, 134, 135, 136nn14–16, 365–66; in Venezuela, 224
Heritage Foundation, 79n9, 99
heterodoxy, 22, 24, 99, 110, 115; in Argentina, 3, 106, 107, 110, 111, 114, 290, 401; in Bolivia, 3, 99, 240, 249, 256, 257, 401, 409; in Ecuador, 3, 99, 279–80, 401, 409; in Nicaragua, 3, 99; in Peru, 412
Holston, James, 199
homicide rates, 196, 197, 198, 199, 202, 204, 209n19
Honduras: citizen security in, 196, 200, 209nn19–20, 292; coup against Zelaya in, 1, 65, 427nn6–7; left turn in, 1, 35, 65
Humala, Antauro, 385
Humala, Ollanta, 18, 261, 385–86, 392, 412; background of, 385; on "ethno-Cacerism,"

Humala, Ollanta (*cont.*)
375, 396n5; ineffective campaign of, 386–87, 396n16; and left characterization, 5, 7; as populist outsider, 376, 396n6; regional support for, 375, 376, 383, 385, 386; resemblance to Chávez, 376, 385
human rights: abuses, 189, 196, 200, 283, 358, 386; Bolivia respect for, 240, 254

IAMC (Institution of Collective Medical Assistance, Uruguay), 125
IBASE (Brazilian Institute of Social and Economic Analyses), 171
ID (Izquierda Democrática, Ecuador), 27n2, 267
import substitution industrialization (ISI), 6, 93, 98, 213–14, 235, 285, 335
INCRA (Instituto Nacional de Colonização e Reforma Agraria, Brazil), 314
indigenous population: in Bolivia, 194, 243–45, 255, 420; demands of, 192–93, 208nn13–14; in Ecuador, 15, 193, 194–95, 279, 427n10; as electoral constituency, 193; in Guatemala, 195–96; in Nicaragua, 192; in Peru, 384, 392; poverty among, 208n12, 243
inflation, 98, 102–3; in Argentina, 93, 102, 111, 288, 290, 304n8; in Bolivia, 99, 111, 243, 249; in Brazil, 93, 102–3, 109–10, 111, 312; in Chile, 93, 102; in Ecuador, 98; in Peru, 380; in Venezuela, 77, 102, 231, 234
institutionalization, 39–41, 373n3; of party systems, 112, 113–14, 115–16, 350
institutional path to power, 399, 404, 405–7
Inter-American Development Bank, 243, 249, 316, 374n16
International Labor Organization (ILO), 370
International Monetary Fund (IMF), 3, 57, 63, 93, 169; and Argentina, 289, 290, 298; and Brazil, 109, 309, 311, 312, 316; and Ecuador, 265; and Uruguay, 374n16; and Venezuela, 55
Internet, 269, 274, 342, 366
Iran, 247
ISAPRE (Chile), 123, 124, 134
Istúriz, Aristóbulo, 168
IU (Izquierda Unida, Peru), 162, 163, 376, 378, 379

Jubileo 2000, 266

Keynesianism, 348, 350, 355, 368
Kirchner, Néstor: background and career, 113, 300, 427n8; coming to power of, 1, 18, 52, 55, 106, 285, 299, 305n28, 410–11; control over economic decisions, 101–2, 106–7; left categorization of, 5, 283; linkages to social groups, 283, 285–86, 287, 294, 297, 299, 301, 303; macroeconomic policy of, 99, 113, 114, 288, 289, 290, 292, 300; on neoliberalism, 285, 299; as political outsider, 113, 411; popular support for, 106, 285; populism of, 69n3, 411; pragmatism of, 14; public security policy of, 205; radicalism of, 298, 300; regulatory policy of, 283, 291–93
Kohl, Benjamin, 257

labor unions, 139, 146, 147, 148–49, 153, 414–15; in Argentina, 287, 293–95, 297, 301; in Bolivia, 241, 252, 415; in Brazil, 149, 168, 301, 302, 415; in Chile, 149, 335, 337, 341–42, 345, 415; in Peru, 392–93; social democracy and, 351, 367; in Uruguay, 149, 175, 176–77, 353–54, 368–69, 374n19, 415; in Venezuela, 148–49, 155, 160, 415
Lacalle, Luis Alberto, 127
Laclau, Ernesto, 237n10
Lagos, Ricardo, 6–7, 102, 128, 202, 346; election of, 1, 334, 338–39, 406; macroeconomic policy of, 339–40; moderation of, 325, 338–40; and PPD, 330–31, 347n2; social policy of, 83, 117, 123, 132–33, 190, 341
land reform: in Bolivia, 250; in Brazil, 313–14
Larrea, Gustavo, 266
Laserna, Roberto, 252
Lavagna, Roberto, 98, 101, 106, 114, 289
Lavín, Joaquín, 334, 339
LCR (La Causa R, Venezuela), 143, 170, 183n5, 419, 421; origins of, 215–16; and participatory democracy, 162, 163, 164, 166
left definition, 4, 5, 53–54, 184, 192; and self-identification, 33–35, 48, 50n1, 239
left governance: categorization of, 5, 28n13, 325, 402; "contestatory," 424–25; contrasts in, 4–5, 11–12, 72, 92n1, 284–85, 302, 303; crisis-outsider path to power, 6, 15, 19, 112, 115, 399, 404–5, 407–10; democratic implications of, 4, 416–17; diffusion effects of, 11; diversity in, 3–4, 16–20, 26, 52, 206, 399, 400–403, 412; factors leading to, 7–11, 21, 64, 69n1, 310,

423; and ideology, 35, 49; institutional path to power, 399, 404, 405–7; and left-center coalitions, 114, 119, 129–30, 143, 169, 174, 310, 331, 352, 414, 417; legacies of, 424–26; moderation of objectives in, 4–5, 17, 27n2, 31, 58, 73, 101; municipal, 8–9, 163–64, 167; and neoliberalism, 4–5, 9, 27nn5–6, 53, 73, 82, 100, 119, 135, 376, 396n8, 415; and partisan swings, 49, 424; political base of, 112–13; and populism, 6, 7, 15, 69n3, 104–5, 189, 262, 270, 279, 348, 411; and prior governing experience, 326, 347n1; and public opinion, 31, 114, 242, 255, 260, 273, 280, 317, 425, 434; redistributive policies of, 3, 15, 65, 111, 236, 423; and socialism, 19–20; sustainability of, 88, 415, 423–24; and transformation of movement left parties, 15, 16, 17, 421; typology of, 11–16, 92n2, 94. *See also* constraints, economic and political; governance

left typology: electoral-professional Left, 13–14, 117, 131, 187, 208n5, 306, 309, 418; institutionalized Left, 12–13, 17, 349, 350; moderate Left, 73, 74, 80–81, 82, 85, 89–92, 279, 300, 425, 427n12; movement Left, 15–16, 17, 108, 142, 189, 241, 405, 421; orthodox Left, 164; populist Left, 11–12, 15, 188, 189; radical Left, 72, 73–74, 85, 90, 91, 300; revolutionary Left, 187, 208n4

linkages, left, 139–40, 141, 146, 147, 149–50, 157–60, 303; in Argentina, 283, 285–86, 287, 294, 297, 299, 301, 303; in Brazil, 144, 146, 149, 151, 157, 158, 302, 415; in Chile, 144, 145–46, 149, 151, 157, 158, 335; direct-contact, 140, 143–46; and governance, 422; and institutional path to power, 405–6; organizational, 140, 146–48; psychological, 140, 141–43; strategies of, 140–41; in Uruguay, 132, 146, 148, 153, 154–55, 157–58, 159–60, 352, 353–54, 356, 367, 373nn10–11, 406, 415, 419; in Venezuela, 146, 148–49, 150, 151, 157–58

López Maya, Margarita, 302

Lugo, Fernando, 1, 15, 28n11, 52

Lula da Silva, Luiz Inácio, 1, 6–7, 52, 301, 306; advisers of, 168–69; on citizen security, 203–4; electoral base of, 113, 309–10, 317; as face of PT, 307, 308; foreign policy of, 320–22; macroeconomic orthodoxy of, 109, 311–12; and market model, 74, 81–82, 90, 91, 310; moderation of, 72, 74, 89, 90, 302; power sharing by, 169, 174, 310, 417; promotes citizen participation, 162, 166, 167; public support for, 114, 317, 434; support from business-finance sectors, 168, 301–2; and U.S., 320. *See also* Brazil; PT

Lula Presidente, 167, 168

Macas, Luis, 194, 267, 269

Macaulay, Fiona, 203

Mahuad, Jamil, 263–64, 265

Malpartida, Elsa, 392

Mao Zedong, 90

market model, 74, 82–83; Cardoso promotion of, 81, 85–86, 89, 108, 306, 308, 309; Left and, 73, 75, 81–82, 90, 91, 310; Menem promotion of, 14, 18, 55, 59, 285, 288, 410; public opinion on, 31, 116. *See also* neoliberalism; orthodoxy, economic

Marshall, T. H., 185

Marxism, 4, 187, 326

MAS (Movimiento al Socialismo, Bolivia): appeal of, 239–40, 244–45; and Chavismo, 12; coca growers' unions and, 241, 252; and constitutional reform, 80, 252–53; control of legislature by, 252, 427n9; electoral strength of, 16, 245–46, 253, 255, 258, 259n6; emerged from social movements, 241, 407, 408, 420; founding of, 242; heterodox policy of, 256, 257; impact on Bolivian democracy of, 240; inclusionary approach of, 244–45, 425–26; and indigenous, 195, 239–40, 244–45, 279, 415, 423; institutional constraints on, 409; Morales leadership of, 28n12, 242; movement left origins of, 15–16, 241, 421; nationalism of, 72; on neoliberalism, 239, 256–57; political aims of, 189, 256; as political outsiders, 19, 256; radicalism of, 240, 254, 255–56; rise to power of, 239, 240–41, 246, 258n1; structure and cadres, 241–42, 257, 259n2; ties to social movements, 242, 415; and U.S., 255–56; voter registration drives of, 253–54, 259n11, 420. *See also* Bolivia; Morales, Evo

MAS (Movimiento al Socialismo, Venezuela), 143, 167, 183n4, 216, 217

Massud, Carlos, 116n1

Mayz Vallenilla, Ernesto, 237n2

MBR 200 (Movimiento Bolivariano Revolucionario 200, Venezuela), 159, 215, 216, 217

ME (Movimiento Eva, Argentina), 303n3
media: utilization by Left, 144, 232, 268–69, 273, 274; in Venezuela, 230, 234
Meirelles, Henrique, 102, 109, 311
Mejía, Hipólito, 27n1
Menem, Carlos, 205; neoliberal policies of, 14, 18, 55, 59, 285, 288, 410; in 2003 election, 106, 299, 305n28
MEP (People's Electoral Movement, Venezuela), 160n1
MERCOSUR/MERCOSUL, 82, 205, 225, 321, 359, 374n17
Mesa, Carlos, 243
Mexico, 9, 45, 197, 200, 209n20
Michels, Roberto, 421
military coups. *See* coups
minimum wage: in Brazil, 312, 317; in Chile, 83, 85, 126, 402; in Uruguay, 126–27, 402; in Venezuela, 234
MIP (Movimiento Indígena Pachacuti, Bolivia), 245
MIR (Movimiento de Izquierda Revolucionaria, Bolivia), 193, 241, 243
Miró Quesada Rada, Francisco, 375
MLN-Tupamaros (Movimiento de Liberación Nacional, Uruguay), 372
MNR (Movimiento Nacionalista Revolucionario, Bolivia), 27n2, 72, 242–43
Montes, Julio, 168
Morales, Evo: and Chávez, 72, 79, 240; electoral victory of, 1, 52, 239, 418; heterodox policies of, 401; and indigenous struggle, 189, 195, 279; internal contradictions of, 79–80, 91; international policy of, 240, 260; as leader of coca growers' union, 15, 255–56, 386; as MAS leader, 28n12, 242; as party-system outsider, 113, 409; plebiscitarian approach of, 251, 403, 409; and presidential term limit, 253, 259n8; public support for, 242, 255, 425; in radical Left, 72, 300; and rights, 189–91, 194, 195, 240, 254; and right-wing opposition, 251–52; and socialism, 259n8, 401; as social movement organizer, 6, 189, 194, 274. *See also* Bolivia; MAS
Moreno, Guillermo, 304n14
MRT (Movimiento Revolucionario Tupamaro, Venezuela), 160n1, 218
MRTA (Movimiento Revolucionario Túpac Amaru, Peru), 393
MST (Movimento dos Trabalhadores Rurais Sem Terra, Brazil), 301, 302, 309, 313, 314
Mujica, José, 52, 371, 372
multiculturalism: and citizenship rights, 192, 193, 207, 400, 423; Correa and, 194, 279; and Left, 195, 207, 422; and neoliberalism, 209n18. *See also* ethnicity
MVR (Movimiento Quinta República, Venezuela), 144, 159, 160, 183n4, 217, 218; founding of, 216; linkages of, 167, 302

Nación, La, 205
National Convergence (Venezuela), 219
nationalism: economic, 71, 78, 91, 106, 111; and left turn, 44, 79, 111, 215, 278, 348; populist, 7; redistributive, 72
nationalizations, 73, 337; in Argentina, 283, 293, 296–97; in Bolivia, 79, 92n4, 191, 248; in Venezuela, 75, 191, 227, 234, 400
Nebot, Jaime, 273
neoliberalism, 22, 71, 407; and Argentina, 14, 18, 55, 59, 285, 288, 298, 401, 410; and Bolivia, 242–43; and Brazil, 85, 86, 108; and Chile, 119, 135, 326–27, 336–37, 344, 345, 347; consensus around, 2–3, 93–94, 221; and Ecuador, 263, 264, 265, 275; and external constraints, 56, 57, 64; IMF and, 57; left governments and, 4–5, 27n2, 53, 73, 82, 100, 119, 135, 376, 396n8; and left turn, 9, 27nn5–6, 415; and multiculturalism, 209n18; and Peru, 21, 24, 59, 379, 380, 384, 388–89, 395, 402; and Uruguay, 119, 135; and Venezuela, 219, 221. *See also* orthodoxy, economic; privatization
NGOs (nongovernmental organizations): in Brazil, 163, 169, 171, 172, 173–74; in Peru, 393; in Uruguay, 363
Nicaragua: citizen security in, 201–2, 209n19; external constraints on, 99, 110, 115; heterodox policies of, 3, 99; indigenous movement in, 192; left government in, 1, 52, 99, 100, 112; revolution of 1979 in, 20, 187, 208n4
Nixon, Richard, 90
Noboa, Álvaro, 267–68, 269, 270, 271, 273
NUDEs (Endogenous Development Nuclei, Venezuela), 223

Obama, Barack, 247
Obregón, Nancy, 392

OCAs (Venezuela), 177
oil: boom-and-bust cycle around, 77, 78, 103, 104, 224, 237; Chávez policy around, 220–21, 222, 225, 233; prices, 77, 219, 225, 236, 237, 275, 277; rentierism, 77, 78–79, 91, 226, 236, 413
Olavarría, Jorge, 237n2
Organization of Petroleum Exporting Countries (OPEC), 219, 278
Ortega, Daniel, 1, 14–15, 52, 99, 100, 202
orthodoxy, economic, 21, 24, 402; in Brazil, 3, 21, 81, 85–86, 89, 101, 108, 109, 110, 311–12, 322, 401–2; in Chile, 3, 21, 101, 111, 337, 339–40, 342; in Peru, 21, 24, 59, 379, 380, 384, 388–89, 395, 402; in Uruguay, 4–5, 401–2, 406. *See also* neoliberalism

PAC (Acceleration of Growth Program, Brazil), 172
Pachakutik (Ecuador), 15, 194, 264, 267, 269, 270
PAIS (Movimiento Patria Altiva y Soberana, Ecuador), 266, 267, 272, 273, 281
Palacio, Alfredo, 264
Palocci, Antonio, 108, 109
Panama, 209n19
PANES (Social Emergency National Assistance Plan, Uruguay), 121, 363
Panizza, Francisco E., 33, 49
Paraguay, 1, 3, 28n11, 52
participatory budgeting (Brazil), 162, 164–66, 165, 170, 183n3, 306, 418–19
participatory strategies and policies, 162, 163, 166–67, 418; in Bolivia, 258, 420; in Brazil, 162, 164–66, 168–69, 170, 171–74, 183n3, 418–19; in Ecuador, 275, 420–21; in Uruguay, 169, 174–77, 418, 419; in Venezuela, 163, 168, 177–82, 220, 223–24, 235, 236, 419–20
Partido Socialista–Frente Amplio (Ecuador), 281n3
Patiño, Ricardo, 266
Patriotic Alliance (Venezuela), 217
Patriotic Pole (Venezuela), 167, 168, 170, 219, 232, 235
PC (Partido Colorado, Uruguay), 143, 355–56
PCCh (Communist Party, Chile), 90–91, 325, 327, 329, 330, 335, 341, 344
PCV (Venezuelan Communist Party), 167, 183n4, 218
PDA (Alternative Democratic Pole, Colombia), 164
PDC (Partido Demócrata Cristiano, Chile), 129–30, 334, 337; in Concertación, 119, 331, 352; Socialist Party alliance with, 158, 344, 346
PDVSA (Petróleos de Venezuela), 77, 224, 225, 233, 293; Chávez control of, 75, 104, 222–23
Pease, Henry, 379
Peña, Alfredo, 237n2
pension system: in Argentina, 283, 295, 296–97; in Bolivia, 250–51; in Brazil, 87; in Chile, 84, 89, 120–21, 134, 135, 190, 343, 402; in Uruguay, 360, 402
Peredo, Antonio, 256
Pérez, Carlos Andrés, 78, 214, 236; market reforms by, 54, 103–4
Pérez Jiménez, Marcos, 215, 237n1
Perón, Juan, 7, 242, 426; economic policies of, 55–56, 93; ideological swings by, 55, 188; overthrow of, 116
Peronism, 300, 410, 411, 427n8; and left-right spectrum, 16, 55, 285; populism of, 16, 18, 427n7
Peru, 375–98; *clasismo* in, 380, 384; coca in, 386, 392; and commodities boom in, 376, 394, 412; corruption scandals in, 380–81, 384; counterinsurgency war in, 378, 379, 394; democratization in, 380, 402; economic growth rates, 389; education in, 389; election of 2006 in, 18, 261, 375, 377, 379, 386–87, 390, 395; export-oriented model of, 377–78; free trade agreement by, 390, 395; health care in, 389; heterodox policies of, 412; human rights abuses in, 386; indigenous movement in, 384, 392; inflation in, 380; institutional path to power in, 404; Left fracturing in, 376, 378, 394–95; military regime in, 378; mining companies in, 389, 391; and neoliberal orthodoxy, 21, 24, 59, 379, 380, 384, 388–89, 395, 402; NGOs in, 393; political party system in, 380, 381; populist machine in, 14, 16, 18, 411–12; poverty in, 381, 383, 389–90; regional cleavages in, 376, 380, 383, 386, 389–91, 392, 395; repression in, 393–94; Right in, 381, 383; social protests in, 384, 390, 391, 392; social spending in, 389, 391; unions in, 392–93; and U.S., 390
PetroAmérica, 246

Petrobras, 292
Petrocaribe, 225
PetroEcuador, 277
Piñera, Sebastián, 31, 202, 346
Pinochet, Augusto: arrest of, 339; coup by, 328; dictatorship of, 17, 88, 122, 326–27, 328, 329, 330, 336; legacy of, 134, 325, 326, 344; plebiscite defeat of, 332
PIT-CNT (Plenario Intersindical de Trabajadores–Convención Nacional de Trabajadores, Uruguay), 168, 169, 175, 176–77, 368
PJ (Partido Justicialista, Argentina), 285, 286, 299, 347n1; Kirchner leadership of, 286, 287, 303; as populist machine, 14, 303, 410–11
PLD (Partido de la Liberación Dominicana), 27n2
PLN (Partido Liberación Nacional, Costa Rica), 27n2
PMDB (Partido do Movimento Democrático Brasileiro), 320, 434
PN (Partido Nacional, Uruguay), 143, 355–56
PNP (Partido Nacionalista del Perú), 385, 397n18
PODEMOS (Poder Democrático y Social, Venezuela), 217, 229, 231, 241
Polanyi, Karl, 385
police, 197, 201–2, 204, 205, 206; abuses by, 200, 205, 393
Policzer, Pablo, 201
political party systems, 139, 404; in Argentina, 299–300, 411; in Chile, 334; institutionalization of, 112, 113–14, 116; and party fractionalization, 141, 158–59; and party identification, 142–43, 145, 157; in Peru, 380–81; in Uruguay, 131, 137n29, 159, 355–56, 372; in Venezuela, 112, 143, 159, 160, 219, 302
political pluralism, 20, 24, 329, 347; Venezuela and, 180–81, 229
political rights, 185, 188–89, 190, 206
populism: Chávez and, 6, 7, 15, 104–5, 189; conservative, 260–61; Correa and, 6, 15, 262, 270, 279; economic, 93, 423; Fujimori and, 6, 379, 417; Kirchner and, 69n3, 411; left and right versions of, 6–7, 417; Lucio Gutiérrez and, 261, 417; Peronism and, 16, 18, 285, 427n7; populist Left, 11–12, 15, 188, 189
populist machines, 14–15, 18; in Argentina, 14, 285, 303, 410–11; in Peru, 14, 16, 18, 411–12
Pou, Pedro, 101
poverty, 7–8; in Argentina, 289; in Bolivia, 243, 249; in Brazil, 74, 313, 316; in Chile, 85, 120, 338; among indigenous, 208n12, 243; in Peru, 381, 383, 389–90; in Uruguay, 361, 362, 363, 364–65; in Venezuela, 103, 222, 225
power quotient, 352, 371
PP (Perú Posible), 383
PPA (Plano Plurianual, Brazil), 171, 172–73
PPC (Partido Popular Cristiano, Peru), 381
PPD (Partido por la Democracia, Chile), 130, 330–31, 334, 335, 347n2
PPT (Patria Para Todos, Venezuela), 166, 167, 168, 183n4, 217, 231
PRD (Partido de la Revolución Democrática, Mexico), 163
PRD (Partido Revolucionario Dominicano), 27n2
PRE (Partido Roldosista Ecuatoriana), 267, 269, 273
PRIAN (Partido Renovador Institucional Acción Nacional, Ecuador), 267, 269
Pribble, Jennifer, 130
price controls, 98–99, 102, 106, 291, 292
privatization, 9, 10, 22, 57; in Bolivia, 243; in Brazil, 85–86, 108; in Chile, 82, 89; in Uruguay, 351, 363, 373n1; in Venezuela, 221. *See also* neoliberalism
PRONASCI (National Public Security and Citizenship Programme, Brazil), 203
property rights: in Bolivia, 248; in Venezuela, 221, 228–29
PROVEA (Program of Human Rights Education-Action, Venezuela), 235
PS (Partido Socialista, Ecuador), 267
PSC (Partido Social Cristiano, Ecuador), 264, 269
PSCh (Partido Socialista de Chile), 113, 132, 340; abandons revolutionary objectives, 17, 326, 328–29, 331, 337; under Allende, 326, 347n1; and Chile's democratic transition, 331, 333–34, 335, 416–17; and Communist Party, 325, 327, 329, 344; in Concertación, 130, 352; constraints on, 326, 327, 332–33, 335, 343–44; de-emphasizes social mobilization, 17, 335, 418, 425; as electoral-professional left party, 13–14, 117, 131, 418; embraces market model, 108, 130; history of, 327–28; institutional path to power of, 326, 329, 335, 347, 349–50;

linkages, 149, 335; moderate course of, 325, 328–29, 346, 405, 406; Nuñez faction within, 158; organizational profile and structure, 131, 335; overlearning by, 425; and PPD, 330–31; repression under Pinochet, 17, 326, 327, 328, 329; social liberalism of, 401–2; technocratic approach of, 335, 346
PSDB (Partido da Social Democracia Brasileira), 81, 86, 87, 310
P-SOL (Partido Socialismo e Liberdade, Brazil), 90, 91
PSP (Partido Sociedad Patriótico, Ecuador), 264, 269, 270, 273
PSUV (Partido Socialista Unido de Venezuela), 159, 160, 218, 232; and communal councils, 152–53; creation of, 144, 160n1, 179, 217–18; and labor unions, 155; and popular associations, 150, 157, 158
PT (Partido dos Trabalhadores, Brazil): Articulation faction within, 158; in Chamber of Deputies, 306, 310; coalition governance by, 169, 174, 310, 352, 414, 417; and corruption scandals, 318, 319–20; de-emphasizes social mobilization, 17, 309, 317; democracy as goal of, 162, 182, 308; electoral focus of, 17, 309, 419; as electoral-professional left party, 13–14, 306, 309, 418; and ethical government, 306–7, 310, 318; founding of, 308; institutional constraints on, 309, 310; institutional path to power of, 349–50, 406; international ties of, 320; and land reform, 313, 314; left-wing critics of, 90, 91, 109; linkages of, 144, 146, 149, 151, 157, 158, 302, 415; Lula as face of, 307, 308; macroeconomic orthodoxy of, 401–2; moderate profile of, 81, 300, 308–10, 405, 406; movement left origins of, 15, 16, 17, 108, 405, 421; and MST, 300, 309, 313, 314; municipal governance by, 163, 164, 167; and neoliberalism, 4–5, 89, 306; organizational attributes of, 308; overlearning by, 425; and participatory democracy, 162, 165–66, 306–7, 318, 319, 418–19; pragmatism of, 309, 322; public security plan of, 203; right-wing fears about, 416; right-wing opposition to, 169; and socialism, 308, 309; social liberalism of, 108, 307; transformation of, 81, 108, 306, 307, 308–9, 405, 406. *See also* Brazil; Lula de Silva, Luiz Inácio
public opinion, 32, 66, 197; on authoritarianism, 41–42, 50n9; on democracy as form of government, 33, 38, 41–42, 44–46, 48; on democratic performance, 33, 38–40, 48, 182, 183nn9–10, 243, 254–55, 258, 418; on left governments, 114, 242, 255, 260, 273, 280, 317, 425, 434; on market policies, 31, 116
pueblazo (Ecuador, 2000), 263, 264
PVR (Party of the Venezuelan Revolution), 215

Quiroga, Jorge, 241
Quispe, Felipe, 245

Radical Party (Argentina), 105
RCTV (Radio Caracas Televisión), 230, 234
RED (Red Ética y Democrática, Ecuador), 267
redistributive policies, 3, 15, 65, 93, 111, 236; as left objective, 5, 22–23, 32, 48, 192, 260, 423; popular views on, 36–37, 48; and presidential policies, 58; right-wing fears about, 91
Redrado, Martín, 101, 116n2
Renato Souza, Paulo, 86
Renta Dignidad (Bolivia), 250–51
rentierism: gas, 79–80; oil, 77, 78–79, 91, 226, 236, 413; rentier states, 403–4, 409–10
Repsol, 292, 293
Reyes Villa, Manfred, 252, 259n8
Rey Rey, Rafael, 388
Richardson, Neil, 65
Right parties and oppositions, 113–14; in Bolivia, 80, 251–52; in Brazil, 169; in Chile, 114, 133–34; and citizen security, 200–201, 422; in Uruguay, 133, 134, 169–70; in Venezuela, 114, 169, 182, 222, 230, 235
risk skimming, 124, 125, 131, 136n11, 136n16
RN (National Renovation, Chile), 334, 345
Roberts, Kenneth M., 379
Rodríguez Araque, Alí, 215
Rodríguez Saá, Adolfo, 106, 299, 305n28
Roldós, Jaime, 267
Roldós, León, 267, 269
Rousseff, Dilma, 90, 204, 323
Russia, 247

Sachs, Jeffrey, 93, 111
Sanchez-Cuenca, I., 66
Sánchez de Lozada, Gonzalo, 243, 250–51
Schmidt, Davi Luis, 183n6
Seawright, Jason, 147

SELA (Sistema Económico Latinoamericano), 78
Seligson, Mitchell A., 32, 33, 41, 48–49, 50n1
SENPLADES (Secretaria Nacional de Planificación y Desarrollo, Ecuador), 277
Seregni, Liber, 416
Serra, José, 86, 89, 310
Serrano, Jorge, 417
Shining Path (Sendero Luminoso, Peru), 378, 379, 380, 381, 383
Silva, Marina, 312, 345
SNIP (National System of Public Investments, Peru), 392
SNIS (National Integrated Health System, Uruguay), 123
social democracy, 11–12, 119; defined, 349, 373n1; European, 23–24, 348, 373n5, 414; Latin American, 23–24, 348, 349, 370, 371, 413, 414, 415; and social liberalism, 402; and unions, 351, 367; as variant of capitalism, 413–14, 415; welfare states of, 117–18
socialism: Bolivia and, 248, 259n8, 401; Chávez and, 19–20, 104, 226, 229, 230–31, 233, 412; Correa and, 277, 401; left redefinition of, 4, 376, 396n8; left turn and, 19–20; PT and, 308, 309; undermining of support for, 256, 335–36
socialism-of-21st-century project: economic risks of, 77, 236; as goal, 223, 226; and oil rentierism, 74, 413; and participatory democracy, 178, 180; rhetoric about, 19, 104; vagueness of, 75–76, 91, 226, 237n10. *See also* Bolivarianism
Socialist League (Venezuela), 215–16
social liberalism, 24, 100–101, 108, 111, 307, 325, 347, 349, 401–2, 407
social rights, 185, 186; left view of, 190–91, 206
South Korea, 249
Soviet Union, 8, 335–36, 378
SRA (Argentine Rural Society), 304n10
states: economic regulation by, 65, 82, 185, 207n2, 276, 283, 291–93, 298; monopoly over use of force by, 200; plurinational, 253; rentier, 403–4, 409–10; state-building, 415; unitary role of, 195; welfare, 117–18, 414–15
statism, 21–22, 24, 99, 110; in Argentina, 99, 110; in Bolivia, 226, 229, 236, 279, 400; in Brazil, 98; in Venezuela, 3, 15, 22, 99, 101, 110, 221, 279, 301, 400
Stokes, Susan C., 27n5, 53, 65, 66
Sunkel, Osvaldo, 223
SUTEP (Sindicato Unitaro de Trabajadores en la Educación del Perú), 392

taxes, 137n22; in Brazil, 86; in Chile, 127–28, 134, 137nn23–25, 340–41; in Uruguay, 128–29, 137n27, 359–61
Telégrafo, El, 274
Toledo, Alejandro: electoral victory of, 381, 383, 385; neoliberal economic policies of, 377, 379, 384; Peruvians' dissatisfaction with, 35, 384
Transener, 293
TSC (Transparency and Social Control branch, Ecuador), 272

UBE (Units for the Electoral Battle, Venezuela), 218
UCR (Radical Civic Union, Argentina), 288, 411
UDI (Independent Democratic Union, Chile), 130, 137n28, 334, 345
UDP (Unión Democrática y Popular, Bolivia), 240–41
UIA (Argentina Industrial Union), 283
UN (Unidad Nacional, Peru), 388
UNASUR (Union of South American Nations), 278
UNE (National Teachers Union, Ecuador), 274
unemployment, 10; in Argentina, 286–87, 289, 303n3; in Ecuador, 280; in Venezuela, 222, 225
Ungar, M., 203
unions. *See* labor unions
United Nations Development Program, 196
United States, 3, 8, 169; and Bolivia, 247, 255–56; and Brazil, 320; and Ecuador, 278; free trade agreements with, 82, 169, 265, 320, 321, 339, 390, 395; and Peru, 390; popular views about, 44, 46–48; and Venezuela, 27n4, 224–25, 400. *See also* anti-Americanism
UPP (Unión por el Perú), 385, 397n18
Uribe, Álvaro, 6, 261, 278, 417
URNG (Guatemalan National Revolutionary Unity), 193
Uruguay, 348–74; cash transfers in, 121, 133, 361, 363–64; children assistance program in, 362; corporatism in, 162–63, 167, 168, 176,

370; debt of, 359, 374n16; decentralization law in, 176; degree of institutionalization in, 112, 350; democratic performance in, 3, 38, 402; democratic transition in, 351, 372, 417; economic growth rate, 358; education in, 122, 123, 132, 135, 362, 366–67; family allowance system in, 361, 364; foreign investment in, 359; government expenditures, 98, 361–62, 402; health care in, 123, 125–26, 132, 134, 135, 136nn14–16, 365–66; and IMF, 374n16; institutional path to power in, 372, 404, 405, 406, 407; labor policy of, 367–70, 371; left turn in, 1, 35, 52, 117, 356, 371–72, 374n12; macroeconomic policy of, 3, 21, 101, 358–59; majority presidentialism in, 352, 356, 371, 414; military coups and dictatorships in, 170, 416; minimum wage in, 126–27, 402; National Economic Council in, 174, 176–77; and neoliberalism, 119, 135; NGOs in, 363; participatory policies in, 169, 174–77, 418, 419; party system in, 131, 137n29, 159, 355–56, 372; pension reform in, 360, 402; political steering in, 362–63, 371; poverty in, 117, 361, 362, 363, 364–65; privatization in, 351, 363, 373n1; public opinion in, 38, 40, 114; repression and human rights abuses, 17, 18, 358, 416; right-wing parties in, 133, 134, 169–70; salary councils in, 127, 174, 175, 354, 367–68, 371; social democratic government in, 348, 349, 370, 371, 415; social liberalism in, 100–101, 108, 349, 401–2, 407; taxes in, 128–29, 137n27, 359–61; unions in, 149, 175, 176–77, 353–54, 368–69, 374n19, 415; welfare state in, 119

U.S. Agency for International Development, 247

Valdivieso, Luis, 388

Vargas, Getúlio, 188

Vargas Llosa, Mario, 379, 390

Vázquez, Tabaré, 6–7, 168, 352, 358; cabinet of, 101, 356–57; election of, 1, 52, 154; as mayor of Montevideo, 163, 169, 170, 174; and participatory democracy, 162, 166, 167, 169; social and economic policies of, 117, 358–59

Velasco Ibarra, José María, 261

Véliz, Alejo, 242

Venezuela, 213–38; anti-Chávez opposition in, 114, 169, 182, 222, 230, 235; "Bolivarian bourgeoisie" in, 76, 78; Bolivarian Constitution in, 220; and Bolivia, 12, 246; Caracazo in (1989), 19, 214, 219, 408; under Carlos Andrés Pérez, 78; Chávez rise to power in, 1, 35, 52, 213, 235; citizen security in, 197, 204, 427n11; and commodities boom, 99, 111, 191, 425; communal councils in, 151–56, 160–61n5, 161n11, 177–82, 226, 234, 420; constitutional reform attempt in, 3, 104, 226, 227, 228–30; cooperatives in, 75, 178, 222; corporatism in, 170; coup attempt (1992), 19, 213, 214, 216, 408; coup attempt (2002), 27n4, 218, 222; crisis-outsider path to power in, 405, 407–9, 417; economic constraints on, 54–55, 104, 115; education in, 224; elections in, 157, 161n12, 225, 233, 234, 235; Enabling Law in, 226, 227, 233; fiscal and monetary policy of, 97, 98, 99; foreign policy of, 221, 224–25, 400; GDP in, 98, 222, 224; health care in, 224; hemorrhaging of technical experts in, 75–76; inflation in, 77, 102, 231, 234; ISI model in, 213–14, 235; left party linkages in, 146, 148–49, 150, 151, 157–58; liberal democracy in, 45, 214; military in, 215, 218, 229, 230–31; minimum wage in, 234; nationalizations in, 75, 191, 227, 234, 400; neoliberal oil policy, 219, 221; oil boom impact on, 77, 78, 103, 104, 224, 237; oil policy, 220–21, 222, 225, 233; oil rentierism and dependency, 77, 78–79, 91, 226, 413; oil stoppage (2002), 104, 218, 222, 223; participatory policies in, 163, 168, 177–82, 220, 223–24, 419–20; as petro-state, 214, 221, 236; polarization in, 221, 222, 426; political clientelism in, 76, 167–68, 179; poverty in, 103, 222, 225; price controls in, 98–99, 102; property rights in, 221, 228–29; slide toward authoritarianism in, 227–28, 230, 234, 235, 403, 417; social crisis of 1980s–1990s, 19, 160, 214, 218–19, 418; social programs in, 22, 76, 135, 191, 223–24, 400, 425; statist policies in, 3, 15, 22, 99, 101, 110, 221, 279, 301, 400; support for Chávez in, 40, 153, 301, 425; traditional party system in, 112, 143, 159, 160, 219, 302; Trienio government in (1945–48), 426; unemployment in, 222, 225; unions in, 148–49, 155, 160, 415; and U.S., 47–48, 400; and world financial crisis, 233–34, 236, 237. *See also* Bolivarianism; Chávez, Hugo; Chavismo

Viciano, Roberto, 272
Viteri, Cynthia, 267

Washington Consensus, 9, 10, 56–57, 97
Webber, Jeffery R., 248
welfare states, 117–18, 414–15
women, 123, 135, 136n10
Workers' Party (Brazil). *See* PT
World Bank, 3, 57, 249, 277, 316, 374n16
World Health Organization, 196, 197
World Trade Organization (WTO), 169, 321

Zelaya, Manuel, 1, 65, 427nn6–7